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ARAB TRADE IN CAPITAL GOODS

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Preface

This document has been prepared by the Sectoral Studies Branch, Division for Industrial Studies as part of a project entitled "Techno-economic Study for the Development of the Capital Goods Industry in the Arab World" (Project No. UF/RAB/82/123) undertaken in co-operation with the Arab Industrial Development Organization (AIDO). The objectives of this project were to encourage the establishment of capital goods industries in Arab countries and support regional co-operation and integration.

This document will also be used as input to the ongoing study programme on the capital goods industry carried out by the Sectoral Studies Branch. This study programme is conducted at different levels of concretization and consists of global, regional, national and subsectoral studies and studies related to specific aspects of entry into and development of the capital goods industry. Apart from an analytical appraisal, the studies aim at defining alternative strategies and elements for international plans of action, providing assistance to decision-makers in developing countries and building up and maintaing up-to-date information on the industry.

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Introduction

This study attempts to present as complete a picture as possible of Arab trade in capital goods in the 1970s based on the available data. It strives to be as factual as possible. This paper is therefore mainly descriptive and avoids speculation on the data and their interpretation. It should be read in conjunction with other documents on the capital goods sector in the region, or as a reference paper. The document has the following outline:

I. Overview of world trade in capital goods

II. Arab imports of capital goods
   - A. Capital goods overall
   - B. Subgroups of capital goods
   - C. End-use grouping of capital goods
   - D. Arab import leaders

III. Arab exports of capital goods

IV. Inter-Arab trade in capital goods

V. Summary

Appendix: Disaggregation of OECD exports of capital goods to Arab countries

I. OVERVIEW OF WORLD TRADE IN CAPITAL GOODS

In 1980 the value of exports of machinery and transport equipment, (engineering products, SITC 73, Rev. 2) from 42 leading exporters of capital goods grew by 15.7 per cent in current dollars to $497.2 billion. This represented about 90 per cent of all capital goods exports and has grown by 5.56 times in current dollars since 1970 (Table 1)[2/]. As shown in Table 1, the world's largest exporters of engineering products were the developed market economies with exports of $436 billion in 1980, followed by the developed centrally planned economies ($45.7 billion) and the developing economies ($15.5 billion). The most rapid growth of the value of exports belonged to the developing market economies (1,602 per cent in current prices over 1970-1980) followed by the developed market economies and developed centrally planned economies (556 per cent and 454 per cent respectively). The largest imports were also by the developed market economies ($302.6 billion) followed by the developing economies ($148.6 billion) and the centrally planned economies ($14.9 billion). The fastest growth of imports in engineering products over the 1970-80 period belonged to the developing economies (710 per cent) followed by the developed market economies and the developed centrally planned economies (514 per cent and 445 per cent respectively). Most of the trade of the developed market economies is with other developed market economies and most of the trade of the developed centrally planned economies is with other centrally planned economies. Figures 1 to 4 are graphical representations of world trade of capital goods and engineering products by economic groupings and regions of trading partners (Figure 2A provides a detail of Figure 2).

1/ The source of all data is UNIDO statistics, unless otherwise specified. Trade statistics are based on United Nations Statistical Office information. All data are based on the SITC Revision 1 Classification unless otherwise specified. There are minor differences in numbers due to use of partner-reported trade data and roundings.

2/ All tables appear at the end of the text.

Figure 1. EXPORTS OF CAPITAL GOODS BY REGION OF ORIGIN

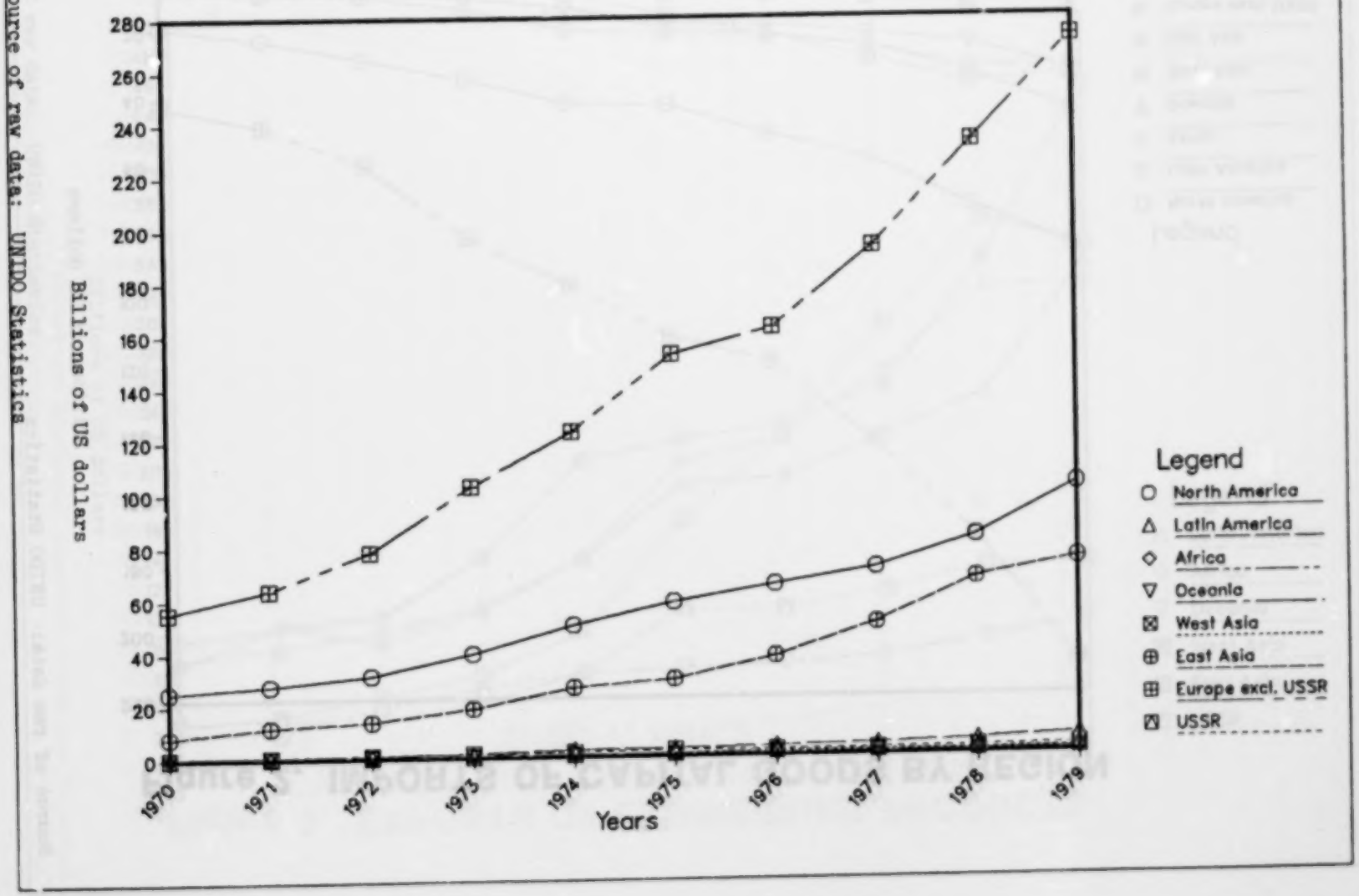
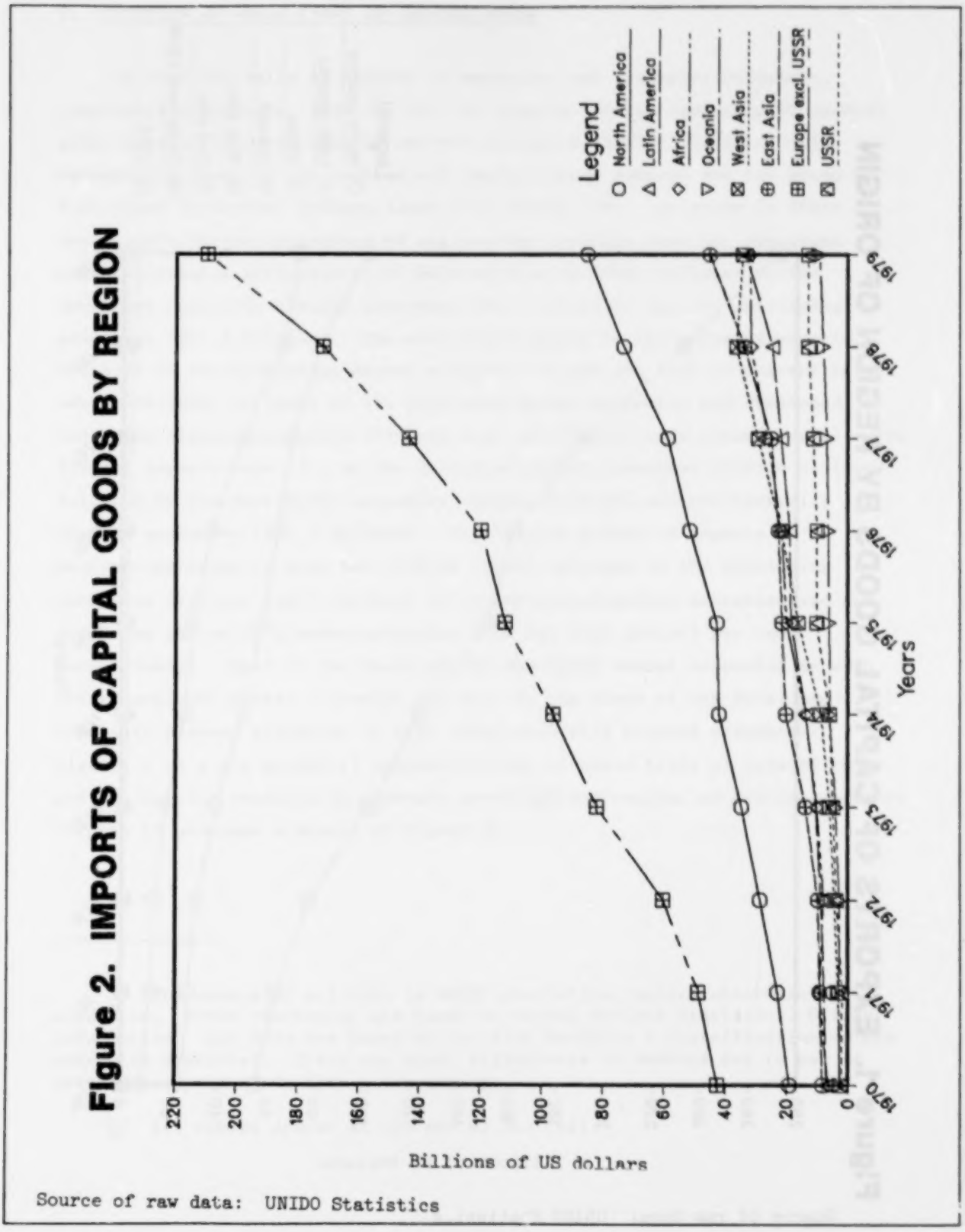


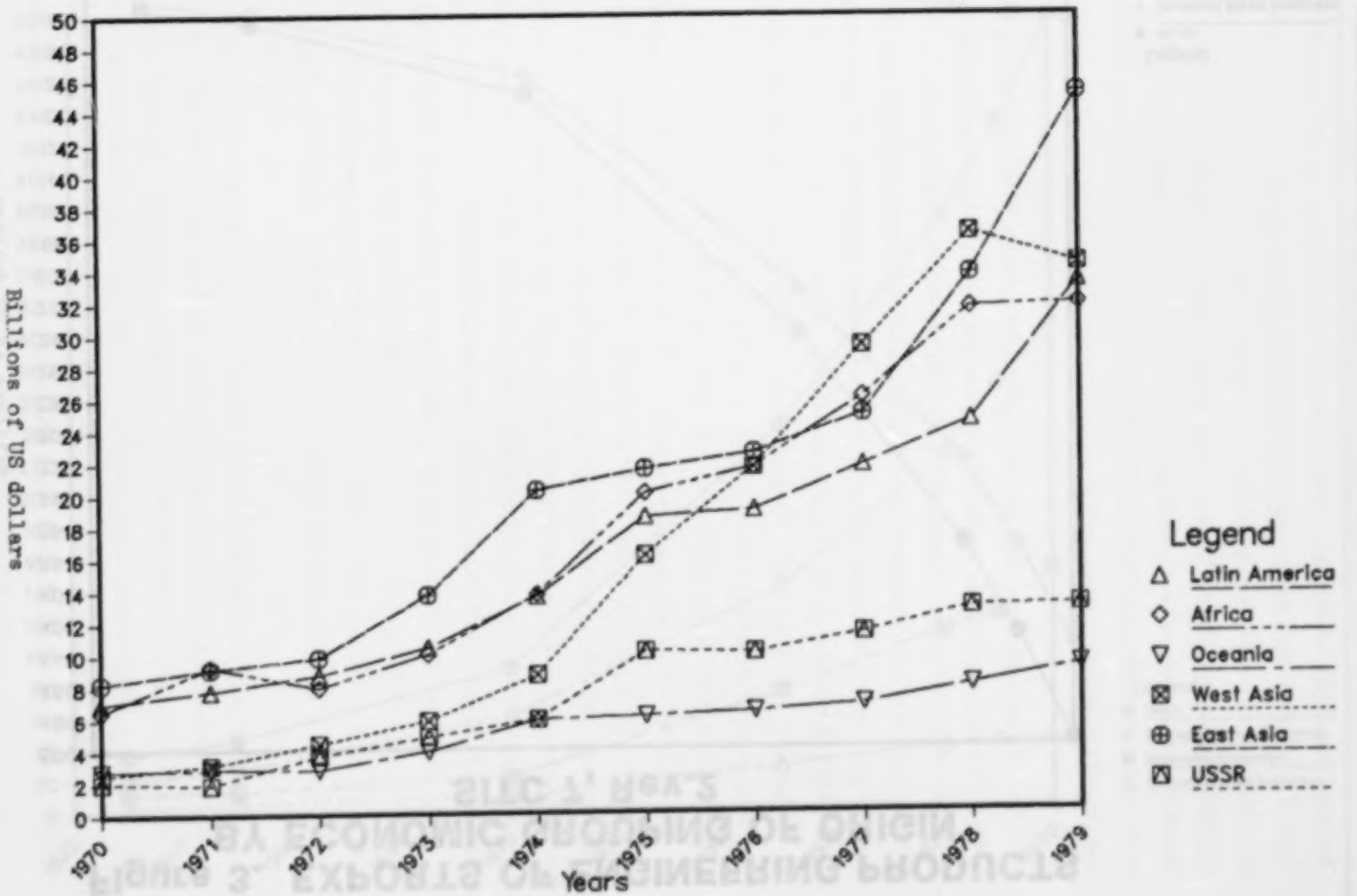
Figure 2. IMPORTS OF CAPITAL GOODS BY REGION



Source of raw data: UNIDO Statistics

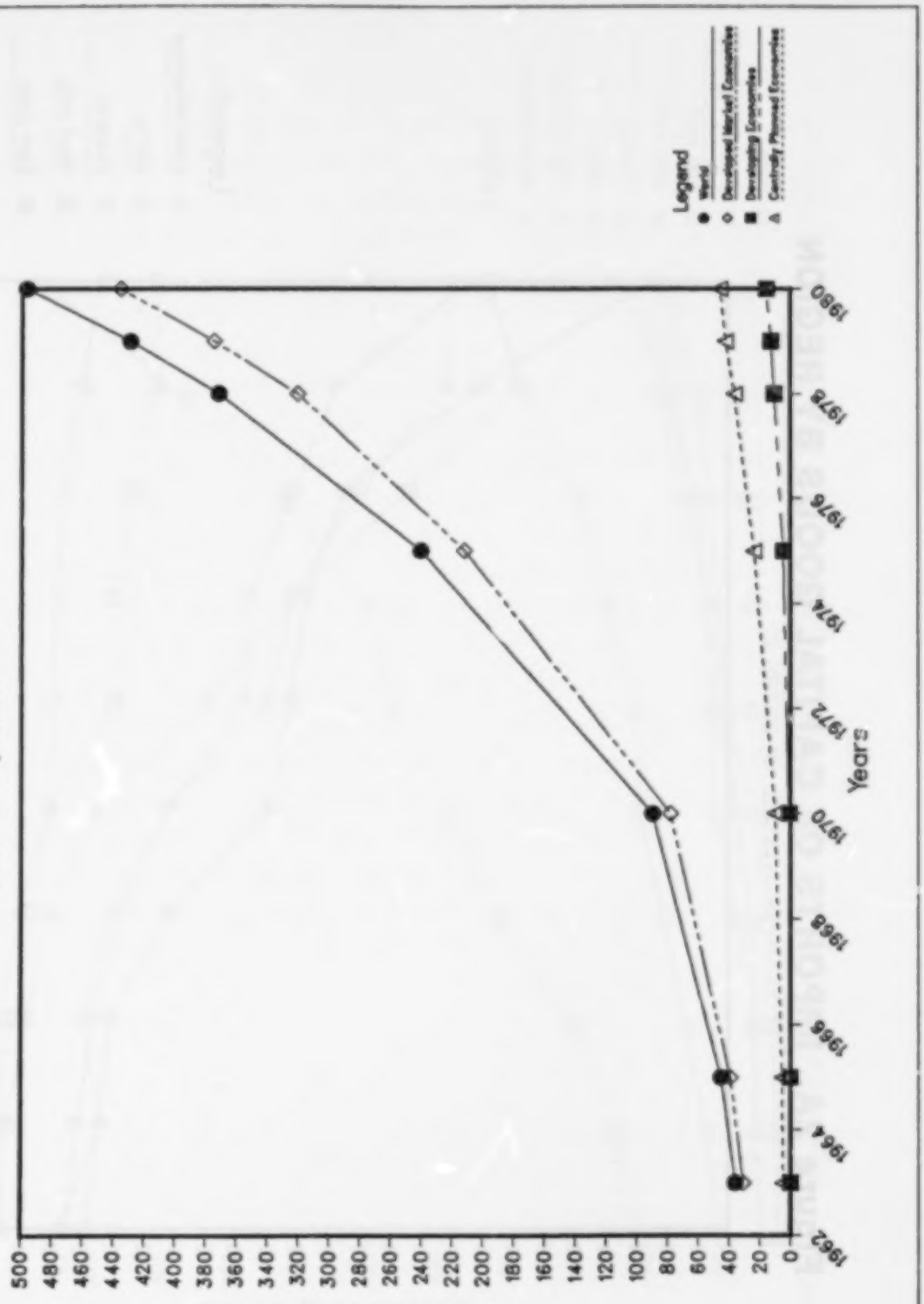
Figure 2A. IMPORTS OF CAPITAL GOODS BY REGION

(DETAIL OF FIGURE 2)



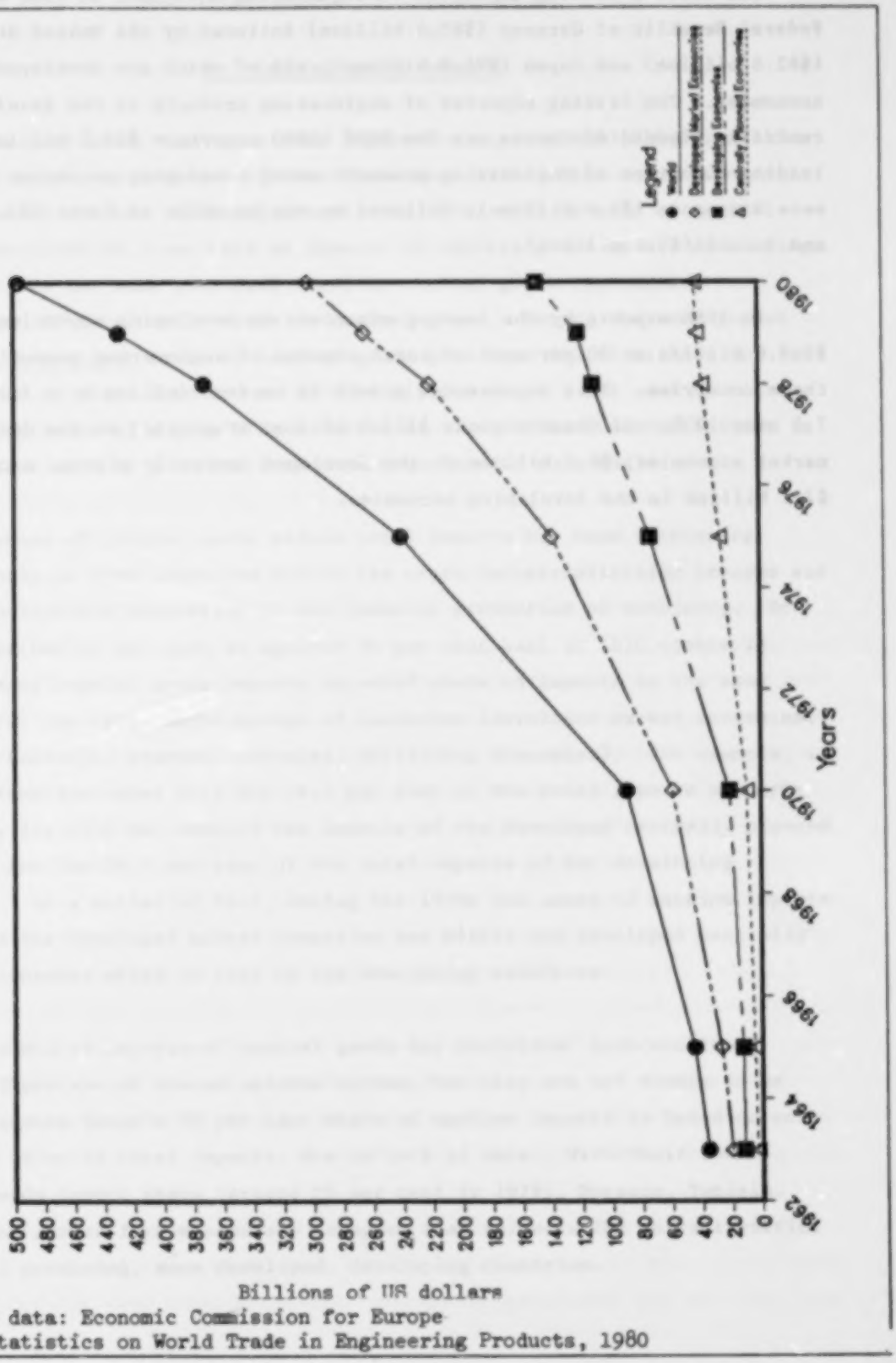
Source of raw data: UNIDO Statistics

Figure 3. EXPORTS OF ENGINEERING PRODUCTS BY ECONOMIC GROUPING OF ORIGIN SITC 7, Rev.2



Source of raw data: Economic Commission for Europe
Bulletin of Statistics on World Trade in Engineering Products, 1980

Figure 4. IMPORTS OF ENGINEERING PRODUCTS BY ECONOMIC GROUPING OF ORIGIN SITC 7, Rev.2



Source of raw data: Economic Commission for Europe
Bulletin of Statistics on World Trade in Engineering Products, 1980

The world's leading exporters of engineering equipment in 1980 were the Federal Republic of Germany ($85.4 billion) followed by the United States ($82.8 billion) and Japan ($75.9 billion), all of which are developed market economies. The leading exporter of engineering products in the developed centrally planned economies was the USSR (1980 exports = $12.2 billion). The leading exporters of engineering products among developing countries in 1980 were Singapore ($5.2 billion), followed by the Republic of Korea ($3.5 billion) and Brazil ($3.4 billion).

In 1980 exports by the leading exporters to developing countries stood at $148.6 billion or 30 per cent of total exports of engineering products by these countries. This represented growth in current dollars by a factor of 7.1 over 1970. Of these exports $133.5 billion originated in the developed market economies, $8.0 billion in the developed centrally planned economies and $7.1 billion in the developing economies.

II. ARAB IMPORTS OF CAPITAL GOODS

A. Capital goods overall

In the year 1979, Arab countries imported a total of $39,854,112 million of capital goods, an increase of 14.3 times over 1970. This occurred under the impetus of the oil price adjustment. In 1979, Arab imports of capital goods constituted 29.7 per cent of imports of capital goods by all developing countries. In the same year Arab trade in capital goods represented 8.5 per cent of total world trade in capital goods. During the same period (1970-79), inter-Arab trade in capital goods grew from $57.90 million (or 2.1 per cent of total imports) to $671.44 million (or 1.7 per cent of total imports) representing a growth by a factor of 11.6. Thus inter-Arab trade in capital goods grew at a slower rate than Arab imports as a whole.

The share of capital goods within total imports has been increasing significantly in Arab countries due to the rapid industrialization process and to the simultaneous stagnation of the domestic production of machinery. By 1979 it reached 45 per cent as against 34 per cent back in 1970 (Table 2). This share of capital goods imports exceeded share of imports in the same category for the three major groups of countries (developed market economies, developed centrally planned economies, developing economies). For example, in 1977 machines accounted only for 24.5 per cent of the total imports of market countries, for 32.9 per cent of the imports of the developed centrally planned economies and for 36.7 per cent of the total imports of the developing countries. As a matter of fact, during the 1970s the share of machine imports dropped in the developed market countries and within the developed centrally planned economies while it rose in the developing countries.

The share of imports of capital goods for individual Arab countries varies. There are of course extreme values, but they are not always to be trusted because Qatar's 60 per cent share of machine imports is based on an estimated value of total imports, due to lack of data. With their lower capital goods import share (around 28 per cent in 1979), Morocco, Tunisia, Lebanon and Jordan form a separate category that reflects the characteristics of non-oil producing, more developed, developing countries.

The share of capital goods in Arab countries' imports has of course shown a rising trend in the years 1970-1979. Within this general tendency, there are lags regarding the rate of growth. In some countries the share of machine imports has even fallen. However, no far-reaching consequences should be drawn from these facts, since in the two years arbitrarily selected for comparison there may be effects that distort or deviate from the normal trends. Nevertheless it is interesting to note that in the case of two large machine importers, Saudi Arabia and Algeria, the share of machine imports declined between 1970 and 1979. This is attributed to the fact that already in 1970 capital goods accounted in both countries for about half of all imports.

Table 3 shows the share of major groups of capital goods (SITC 69, 71, 72, 73, 8618, 8619) within total capital goods imports by the Arab countries, globally and by developing countries, respectively, for 1970 and 1979.

Figure 5 shows the development of world exports of capital goods to Arab countries for the period 1970-1979. It is observed that non-electrical machinery (SITC 71) has always been the major item of Arab capital goods imports. In fact, the ranking in terms of imported value of the various capital goods remained the same throughout this period: Following non-electrical machinery (SITC 71), there was transport equipment (SITC 73), electrical machinery, apparatus and appliances (SITC 72) and manufacture of metals (SITC 69). Much smaller imports of non-electric meters and counters (SITC 8618), and measuring, controlling and scientific instruments (SITC 8619) were reported.

Now if we compare this ranking to the total world imports in capital goods and to imports of developing countries, we will see that they are identical. However, this is not the case for Arab imports coming from the developed centrally planned economies: here the commodity group "transport equipment" is pushed back to third place as against electrical machinery, apparatus and appliances.

As to the actual share, the structure of Arab imports of the main commodity groups of capital goods differs from the world total as well as from that observed for developing countries. Machinery other than electrical,

transport equipment, measuring, controlling and scientific instruments all represent a bigger share in the world trade than they do in Arab countries. Compared to developing countries, it can be seen that the share of non-electrical machinery is 5 points lower in the Arab region, and that of manufactures of metal 5 points higher. The share of the remaining commodity groups differs only slightly from the respective percentages of the same commodity groups in developing countries.

In the period under survey the percentage of imports of the individual commodity groups varied as follows:

increased: manufacture of metals (SITC 69) from 10 to 13 per cent
electrical machinery (SITC 72) from 21 to 23.5 per cent

decreased: non-electrical machinery (SITC 72) from 40.4 down to 35.5 per cent transport equipment (SITC 73) from 27.4 to 27 per cent and measuring, controlling and scientific instruments (SITC 8619) from 1.2 to 0.9 per cent;

unchanged: meters and counters (SITC 8618) 0.9 per cent.

The trends of the main groups of capital goods differ from those of the world and developing countries in two respects. The share of transport equipment has slightly dropped within Arab imports, while world-wide trade, including developing countries, showed a modest rise. This is all the more interesting because in 1979 the share of the commodity group SITC 73 was already 33.2 per cent of the world trade of capital goods, while for the Arab countries it was no more than 27 per cent. The commodity group of manufactures of metals registered a three-point increase in Arab countries (from 10 to 13 per cent), while the share of this commodity group had not changed in other regions' imports. This happened in spite of the fact that the share of this commodity group was already larger in the Arab region than the world-wide average (7.2 per cent in the world trade and 8.8 per cent in the developing countries).

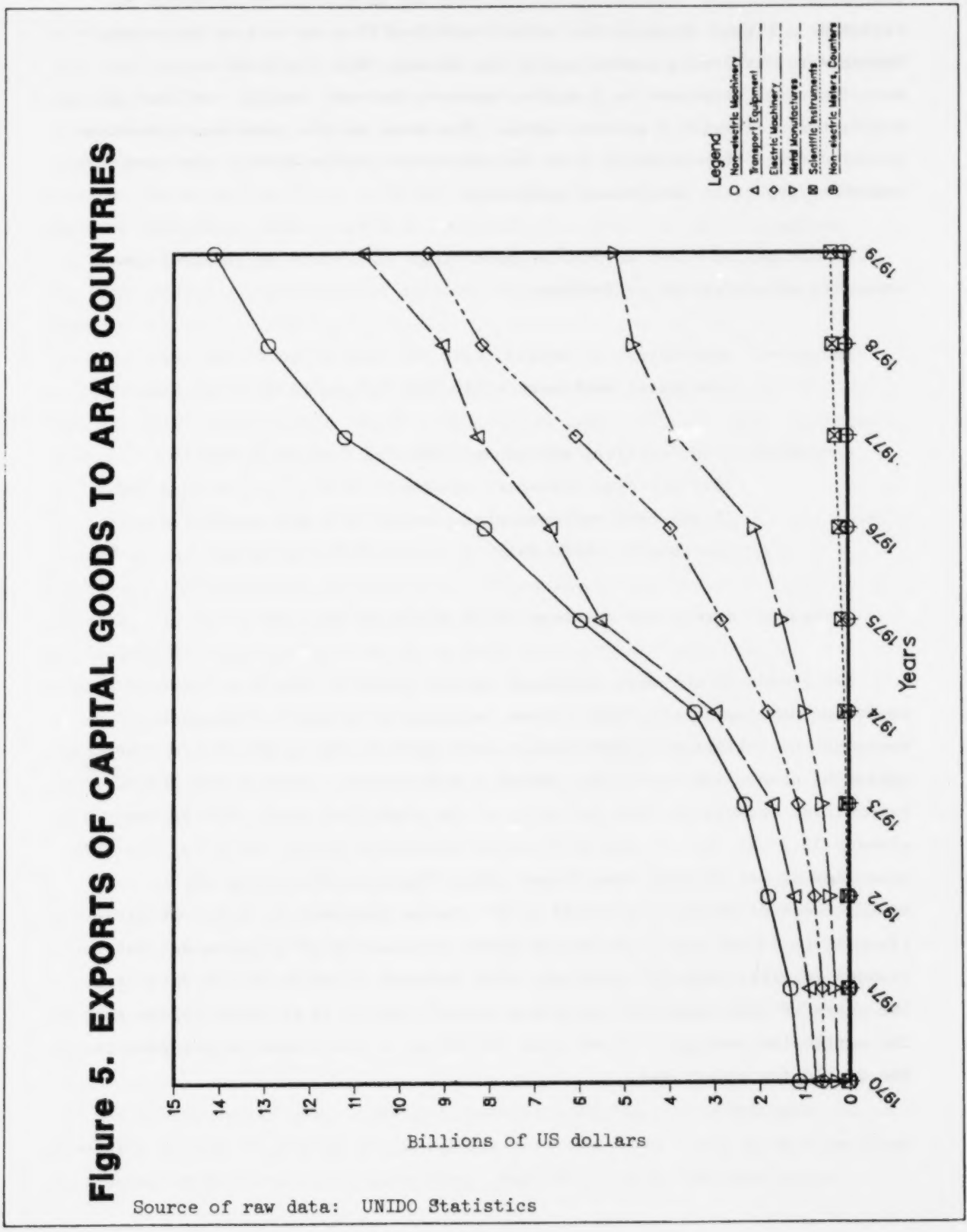


Figure 5. EXPORTS OF CAPITAL GOODS TO ARAB COUNTRIES

Source of raw data: UNIDO Statistics

It is interesting to note that when the limited available value added data are examined, the largest production of capital goods in Arab countries is observed in the manufacture of electrical machinery, apparatus, appliances, and supplies (ISIC 383), followed by manufacture of fabricated metal products except machinery and equipment (ISIC 381), transport equipment (ISIC 384), non-electrical machinery (ISIC 382) and manufacture of scientific, control, professional and measuring equipment (ISIC 385). Thus no good correlation of ranking of subsectors in trade and production is observed.

Within the Arab world, individual countries show a relatively high scatter in the import structure of main commodity groups of capital goods. In the SITC 69 category the smallest and largest shares belong to Oman (6.3 per cent) and Libyan Arab Jamahiriya (18.2 per cent), in the SITC 71 category Democratic Yemen (23.5 per cent) and Qatar (58 per cent), in SITC 72 Tunisia (11.3 per cent) and Democratic Yemen (47.0 per cent), in SITC 73 Qatar (15 per cent) and Oman (48.2 per cent), in SITC 8618 Kuwait (0,04 per cent) and Syrian Arab Republic (1.4 per cent) and finally in SITC 8619 Oman (0.2 per cent) and Qatar (1.7 per cent).

For most countries, the decreasing or increasing input trends for the main commodity groups correspond to those observed in the region as a whole. The group "transport equipment" (SITC 73) is an exception: here the import share for Saudi Arabia dropped from 35 to 27 per cent while the share of the commodity groups within the import of Arab countries remained unchanged.

While exports to Arab countries by type of capital goods show a relatively stable pattern, the same data by exporter region show a much greater volatility. Europe has been the largest exporter of capital goods to Arab countries through the period 1970-1979. This is in line with expectations, given the leading role of Europe in world production of capital goods and its relative geographical proximity to the Arab region. The position of second largest exporter (held until 1970 by North America) belongs now to the East Asian group of exporters. North America is the third largest exporter to the region. It is interesting to note that Europe alone accounted for over 62 per cent of total exports to the region, more than three times the share of the second largest exporter (East Asia). In 1970 Europe's dominance was even greater (72.5 of total exports to the region). Table 4 provides

figures for world exports of capital goods to the Arab countries by exporting region and SITC in 1979. Table 3 provides the same data for 1970. Table 5 shows the growth factor over the 1970-79 decade.

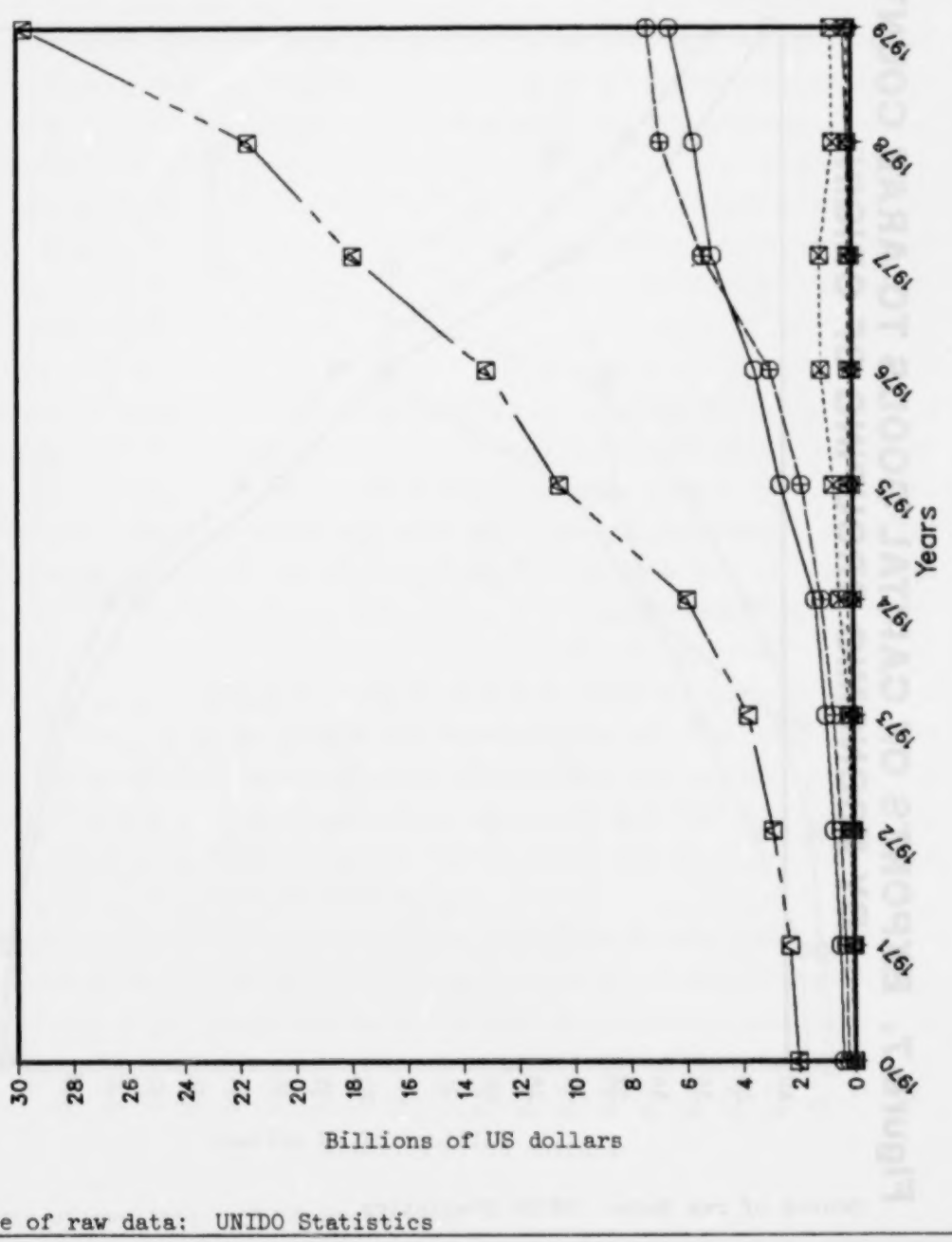
The most rapid of all regional export growths to the Arab countries belongs to the Latin American countries. Exports of capital goods from these countries to the Arab region grew from $1,579 million in 1970 to $271,011 million in 1979. This represents growth by a factor of nearly 172. The lowest growth belonged to imports from Africa and the USSR which grew by 3.3 and 5.1 times, respectively, over the decade. Imports of SITC 73 from the USSR and SITC 8618 from Africa actually fell over this period. Among the sub-groups, the manufacture of metals (SITC 69) showed the most rapid growth, growing by a factor of 18.5 over the 1970-79 decade.

Figure 6 shows that while main exporters showed a continual increase in their exports to the region (especially until 1977), exports by the remaining regions were much more erratic, all showing increases and decline over different spans of time. An important conclusion that can be drawn from the figures is that after 1977 there was a marked levelling off of growth of capital goods exports to Arab countries, especially by the major exporting regions and within the most important categories of capital goods.

Figure 7 and Table 1 show the exports of capital goods to Arab countries by economic grouping of exporters (Figure 7A provides a detail of Figure 7). It is seen from the table that the developed market economies clearly have a dominant market share in the capital goods market overall and in each of the SITC sub-groups of capital goods. These countries had a 92.3 per cent share of the Arab capital goods market in 1979, up from 90.8 per cent in 1970. The share of the developing countries of the Arab capital goods import market was 5.8 per cent in 1979 (up from 4.8 per cent in 1970) and the share of the developed centrally planned economies was 1.9 per cent (down from 4.4 per cent in 1979).

The developing countries' exports of capital goods to Arab countries grew most rapidly (by 1704 per cent over the 1970-79 period), followed by the developed market economies (1459 per cent) and developed centrally planned economies (623 per cent).

Figure 6. EXPORTS OF CAPITAL GOODS TO ARAB COUNTRIES BY REGIONS OF ORIGIN



Source of raw data: UNIDO Statistics

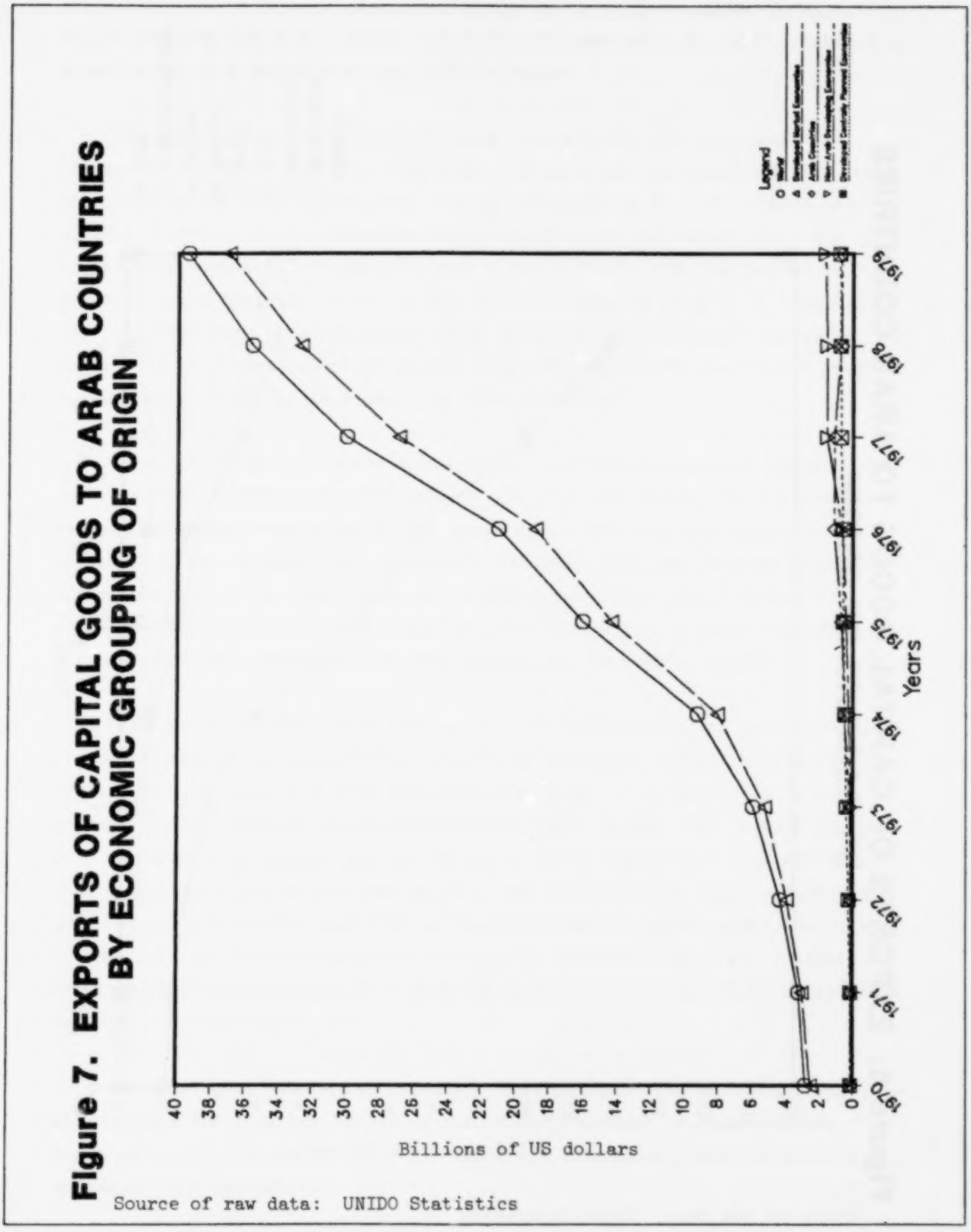
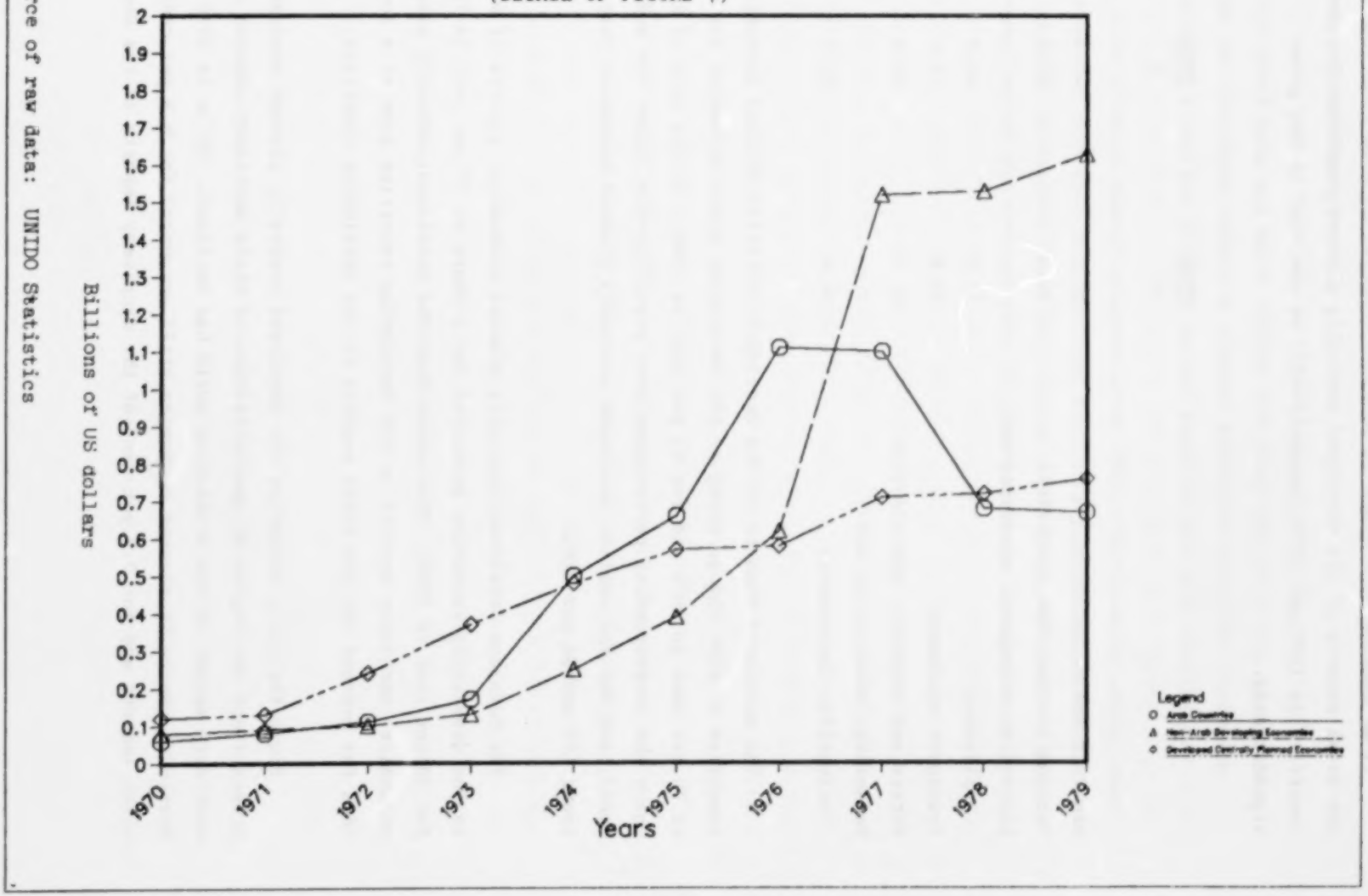


Figure 7. EXPORTS OF CAPITAL GOODS TO ARAB COUNTRIES BY ECONOMIC GROUPING OF ORIGIN

Source of raw data: UNIDO Statistics

Figure 7A. EXPORTS OF CAPITAL GOODS TO ARAB COUNTRIES BY ECONOMIC GROUPING OF ORIGIN

(DETAIL OF FIGURE 7)



Source of raw data: UNIDO Statistics

If we consider the share of machinery exports to Arab countries within the total exports of the developed centrally planned countries for developing countries in 1970 and 1979, respectively, we see that it has grown significantly.

	1970	1979
	%	%
Manufactures of metal	20.2	45.8
Machinery other than electrical	16.3	11.2
Electrical machinery, apparatus and appliances	31.0	40.7
Transport equipment	29.8	26.0
Meters and counters, non-electric	49.1	82.4
Measuring, controlling and scientific instruments	14.6	81.1

The machinery exports of the developed centrally planned economies to countries outside the grouping of the developing world accounted for a share of 70 per cent in 1970 and for 65 per cent in 1980. In the case of the Soviet Union the corresponding percentages were significantly higher (86 and 82 per cent), and for the smaller developed centrally planned economies they were lower (55 and 54 per cent).

The European developed centrally planned economies' exports of machinery to the developing countries accounted for a share of 37 per cent in 1970 and for 30 per cent in 1980. This shows that the developed centrally planned economies' machinery exports to the developing countries grew at a lower rate than the average for the total exports to the developing countries.

Since the early seventies the developed centrally planned economies' presence and the degree of specialization of their machinery exports in the machinery market of the developing world has declined. While in 1970 the developed centrally planned economies still accounted for 6.9 per cent of the total imports and for 7.7 per cent of the machinery imports of the developing

world, in 1980 the corresponding figures were as low as 4.9 per cent and 4.6 per cent, respectively.

Western South Asia and North Africa have been and still are traditional outlets for the developed centrally planned economies countries' machinery exports, despite a decline in their market share in the Arab countries.

This loss of share mostly occurred after 1975. It is worth noting that while between 1970 and 1975 the developed centrally planned economies machinery exports to Western South Asia increased by 23.3 per cent, in the next five-year period the average rate of growth fell to 12.4 per cent.

B. Sub-groups of capital goods

1. Arab imports of SITC 69

Examining the data at a lower level of aggregation reveals some interesting patterns. It is observed that in 1979, the developed market economies exported a total of $4,609 million worth of manufactures of metal (SITC 69) to the Arab countries. This represented about 15.2 per cent of the total exports of SITC 69 by these countries, and a full 45.7 per cent of their exports in this category to developing countries. This rate of export of SITC 69 to Arab countries represents growth by a factor of 18.7 times over 1970. Within the group of developed market economies, the largest exporter of SITC 69 to Arab countries in 1979 were Italy ($871 million) and the Federal Republic of Germany ($714 million). The United States, the United Kingdom, Japan and France had roughly equal exports (between $500 million and $565 million) to Arab countries. Exports of manufactures of metal of the developed market economies in 1979 were 46.4 times the exports of the developed centrally planned economies and 9.5 times the exports of the developing countries ($99.4 million and $484.5 million respectively).

The largest importer of SITC 69 overall ($1,751.6 million) and from developed market economies ($1,480.5 million) and developing countries ($265.5 million) was Saudi Arabia. The second largest importer was Iraq ($718.9 million). The largest importer from the developed centrally planned economies was Libyan Arab Jamahiriya ($48 million).

Table 8 shows the 1979 export of manufactures of metals (SITC 69) to Arab countries.

Note: For details of Arab imports of capital goods for OECD countries for the decade ending in 1980 see the Appendix.

2. Arab imports of SITC 71

In 1979 the developed market economies exported $13,355.7 million worth of non-electrical machinery (SITC 71) to Arab countries. For SITC 71 this represents 8.4 per cent of total developed market economies' exports and 27.9 per cent of their exports to developing countries and a growth by a factor of 13.4 over 1970 in current terms.

The largest developed market economy exporter of non-electrical machinery to the Arab countries in 1979 was the Federal Republic of Germany ($2,679.6 million), followed by the United States ($2,381.0 million). Exports of France, Japan, Italy and the United Kingdom were of the same order of magnitude ($1,500 million to $1,725 million in 1979). Market developed economies' exports of SITC 71 to Arab countries were 41.2 times the exports of developed centrally planned economies ($324.3 million) and 24.1 times the exports of developing countries ($537.9 million).

In 1979 Saudi Arabia was the largest Arab importer of SITC 71 overall ($3,471.9 million), as well as from developed market economies ($3,150.0 million) and developing economies ($215.5 million). The second largest importer overall was Iraq ($ 2,300.8 million). The largest importer from developed centrally planned economies was Iraq ($131.0 million).

Table 9 shows 1979 exports of non-electrical machinery (SITC 71) to Arab countries.

3. Arab imports of SITC 72

The exports in 1979 to Arab countries of electrical machinery, apparatus, and appliances (SITC 72) were $8,666.1 million from developed market economies, representing 10.4 per cent of total SITC 71 exports of developed market economies and 32.5 per cent of their total SITC 72 exports to developing countries. This level of exports had grown by a factor of 16.7 over 1970.

The largest developed market economy exporter of SITC 72 goods to the Arab countries was Japan ($1,712.2 million) followed by the Federal Republic of Germany ($1,416.9 million) and the United States ($1,241.8 million). Exports of developed centrally planned economies ($201.9 million) and developing economies ($540.1 million) were smaller than exports of developed market economies by factors of 42.9 and 16.0 respectively. The largest importer of SITC 72 in the Arab world overall ($3,213 million) and from developed market economies ($3213.9 million) and from developing economies ($192.7 million) was Saudi Arabia. The second largest importer was Iraq ($1,136.5 million total imports). The largest importer from developed centrally planned economies was the Libyan Arab Jamahiriya ($45.2 million).

Table 10 shows 1979 exports of SITC 72 to Arab countries.

4. Arab imports of SITC 73

Arab imports of transport equipment (SITC 73) from developed market economies in 1979 amounted to $9,986.9 million, which constituted 6.9 per cent of total transport equipment exports of developed market economies and 29.8 per cent of their exports to developing countries. This represents growth by a factor of 14.3 over 1970. Among the group the largest exporter of SITC 79 to Arab countries was Japan (1979 exports $2,435.8 million) followed by the United States ($2,046.7 million) and the Federal Republic of Germany ($2,011.9 million).

The level of imports from developed centrally planned economies ($110.9 million) and developing countries ($728.0 million) was smaller than that from developed market economies by factors of 90.1 and 13.7 respectively.

The largest Arab importer of transport equipment was Saudi Arabia ($3,176.8 million imports in 1979). It also was the largest importer from developed market economies ($3,072.7 million). The second largest Arab importer of SITC 73 was Iraq (1979 total imports equalled $1,563.1 million). The largest importer from developed centrally planned economies was Iraq (reported 1979 imports $23.0 million) and the largest importer from developing countries was the Yemen Arab Republic ($100.9 million). The bulk of these imports into the Yemen Arab Republic were from Saudi Arabia. This will be discussed in a later section.

Table 11 shows 1979 exports of transport equipment (SITC 73) to Arab countries.

5. Arab imports of SITC 8618

In 1979 Arab countries imported $64.8 million of non-electric meters and counters (SITC 8618) from developed market economies. This represented 10.3 per cent of total SITC 8618 exports of developed market economies and 40.9 per cent of their exports to developing countries: a growth of 15.1 times over 1970.

The largest exporter of SITC 8618 to Arab countries was the Federal Republic of Germany (1979 exports $13.4 million) followed by Switzerland ($12.2 million) and the United Kingdom ($11.3 million).

Imports from developed centrally planned economies ($4.7 million) and developing countries ($1.3 million) were smaller by factors of 13.8 and 49.8 respectively.

The largest importer of non-electrical meters and counters overall ($32.1 million) and from developed market economies ($31.0 million) and developing economies ($605 thousand) was Saudi Arabia. The second largest importer was Iraq (1979 total imports equal to $9.4 million). The largest importer from centrally planned developing countries was Algeria. This country imported $2.80 million worth of SITC 8618 goods in 1979 from the developed centrally planned economies, of which $2.79 million (or more than

half of all developed centrally planned economies' exports of SITC 8618 to Arab countries) were from Hungary.

Table 12 shows 1979 exports of non-electric meters and counters (SITC 8618) to Arab countries.

6. Arab imports of SITC 8619

Arab imports in 1979 of measuring, controlling and scientific instruments (SITC 8619) from developed market economies amounted to $328.5 million. This represents 5.8 per cent of total SITC exports of the developed market countries and 23 per cent of their exports to developing countries. These exports have grown 10.3 times over 1970.

In 1979 the largest exporter of SITC 8619 to Arab countries was the Federal Republic of Germany ($58.6 million) followed closely by the United States ($54.8 million), the United Kingdom ($54.2 million) and France ($50.9 million).

Imports from developed centrally planned economies ($23.4 million in 1979) and developing countries ($12.9 million in 1979) were smaller than imports from the developed market economies by factors of 14.0 and 25.5 respectively.

The largest Arab importer of SITC 8619 goods overall ($94.6 million in 1979) and from developed market economies ($87.6 million) and from developing countries ($6.6 million in 1979) was Saudi Arabia. The second largest Arab importer was Iraq (1979 imports totalling $54.7 million). The largest importer from developed centrally planned economies was Libyan Arab Jamahiriya which imported $19.75 million of SITC 8619 goods from the developed centrally planned economies. Of this amount $19.56 million was from the USSR. This amount alone represents over 83 per cent of developed centrally planned exports of SITC 8619 goods to the Arab countries in 1979.

Table 13 shows 1979 exports of measuring, controlling and scientific instruments (SITC 8619) to Arab countries.

C. End-use grouping of capital goods

1. Methodology

In this sector, selected Arab countries' capital goods imports have been classified, according to their economic end use, into seven categories:

(1) Capital goods for capital goods.

(2) Capital goods for agriculture.

(3) Capital goods for infrastructure.

(4) Capital goods for consumer goods.

(5) Capital goods for basic industry.

(6) Capital goods common to all branches.

(7) Capital goods for transport.

Figures 8 to 13 give the share of each category in total capital goods imports for the years 1965, 1970, 1975 and 1980[3/] for selected[4/] Arab countries.

Mechanical handling equipment and pumps have been treated in a special way: half of these imports have been classified with capital goods for basic industry, half for capital goods to all branches. This is an admittedly crude estimate, however one cannot determine precisely the specific enduse for these products.

3/ See Table 14 which gives the SITC codes assigned to each category for the purpose of this study.

4/ Saudi Arabia, the Libyan Arab Jamahiriya, Algeria, Jordan, Egypt, Tunisia, Morocco and Sudan. No figures were available for Algeria in 1965 nor for Saudi Arabia in 1975 and 1980.

Table 15 gives the import growth rate for each category of capital goods, and for the total imports (transport equipment excluded). These growth rates are computed from current value import figures, and are related to two periods of time: 1970-1975 and 1975-1980. Two total lines are presented:

(i) for Arab countries as a whole, given that in 1970 figures were not available for Saudi Arabia.

(ii) for Arab countries excluding Saudi Arabia, whose share in total Arab imports is very high.

2. Results

Figures 8 to 13 show that capital goods for basic industries is the most important import category for these Arab countries. It represents 30 to 50 per cent of capital goods imports in 1980 for the countries under question.

Capital goods common to all branches (office machines, heating and cooling equipment pumps, mechanical handling) represent the second category (25 to 30 per cent), followed by capital goods for infrastructure (10 to 14 per cent).

Capital goods for consumer goods rank fourth usually; however one can find some differences between their imports weight for oil-exporting countries, such as the Libyan Arab Jamahiriya and Saudi Arabia (where the share is small) and countries such as Morocco and Sudan where this category represents 20 to 25 per cent of total capital goods imports.

Finally, capital goods for agriculture (5 to 10 per cent) and capital goods for capital goods (1 to 5 per cent) represent smaller shares in imports.

Two tendencies can be assessed from these tables:

- a growing differentiation between oil surplus countries and other Arab countries exists: the former's imports emphasize basic industries while others import more capital goods for consumer goods industries.

- a growing uniformity is evident for such categories as:
  . capital goods common to all branches which account for 25 to 30 per cent of total imports in 1980. Differences in import share for Arab countries were larger in 1970.
  . capital goods for infrastructure which account for 10 to 14 per cent of total imports (Egypt included).
  . capital goods for agriculture and for capital goods: the imports have tended towards 5 per cent and 2 per cent respectively.

Analyzing the imports structures, which gives a good estimate for the demand structure, given the relative lack of local production, one can consider three types of countries:

- Rural countries where emphasis is put on agriculture and consumer goods industries. Sudan's import share of capital goods for agriculture and for consumer goods rank the highest in Arab countries.

- Oil-exporting countries which put emphasis on industrial development. For example, in Algeria, capital goods for basic industry imports constitute about 45 per cent of total capital goods imports and the share of machine tools imports ranks highest (3.6 to 3.7 per cent). The import share of capital goods for consumer goods industries is around 10 per cent.

- Oil-exporting countries such as Saudi Arabia and the Libyan Arab Jamahiriya, where the main emphasis is put on basic industries. Capital goods for consumer goods industries represent only 2 to 3 per cent of these countries' total capital goods imports.

The data indicate that import growth rates have declined sharply between 1970-1975 and 1975-1980.[5/]

5/ Excluding Saudi Arabia.

The average overall annual growth rate was 38 per cent during the first period, and 12 per cent during the second period: a drop of 26 percentage points. This tendency is more pronounced for capital goods for infrastructure (a drop of 37 percentage points), capital goods for agriculture (a drop of 33 percentage points) and capital goods for capital goods (a drop of 32 percentage points).6/

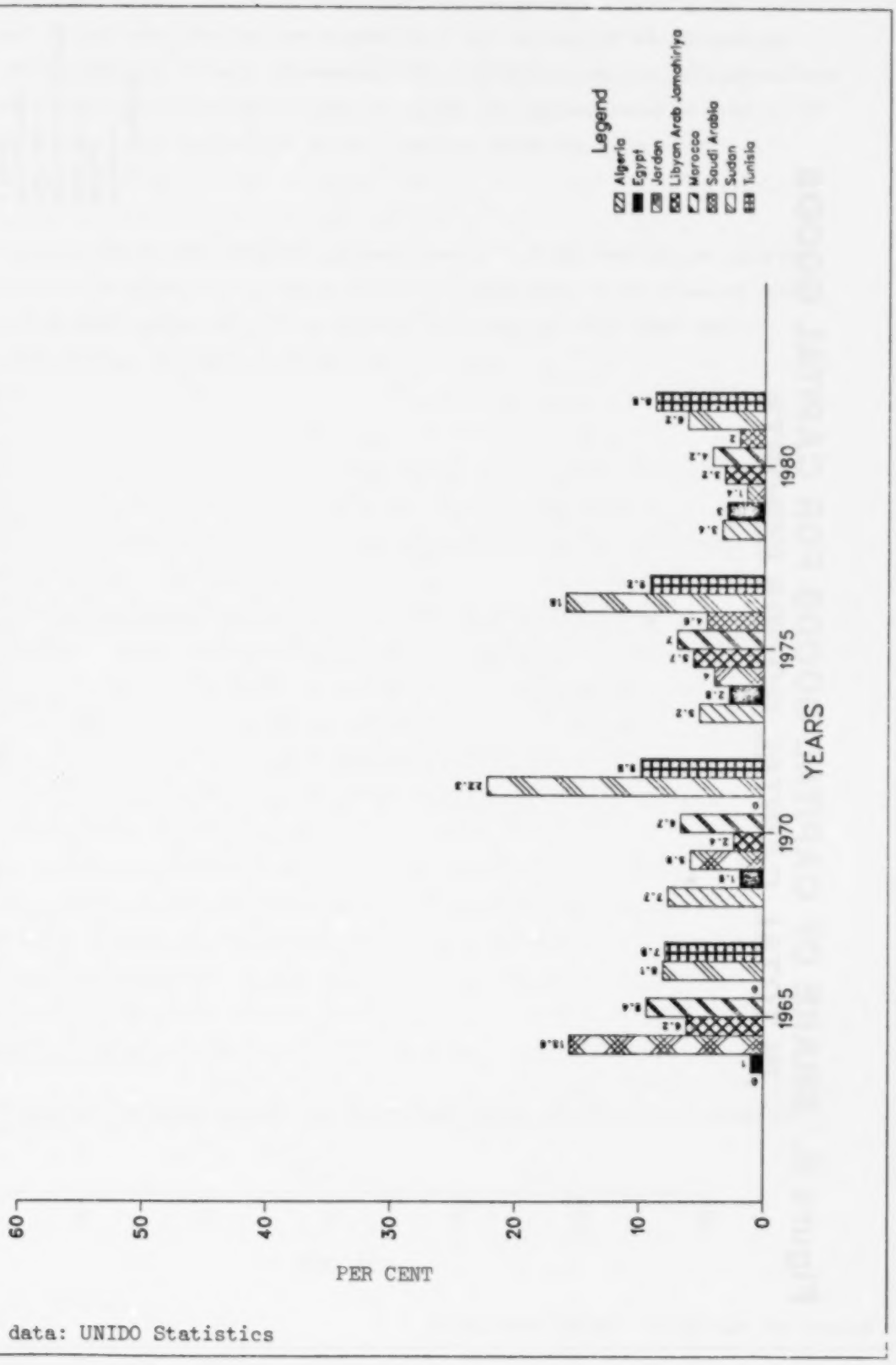
The capital goods for consumer goods imports did not decline as sharply as the others. Perhaps this is because import substitution in consumer goods industries has been going on during the whole decade of 1970-1980 and therefore the change in trend is observed.

6/ One possible factor might be increased local production of some of these goods.

Source of raw data: UNIDO Statistics

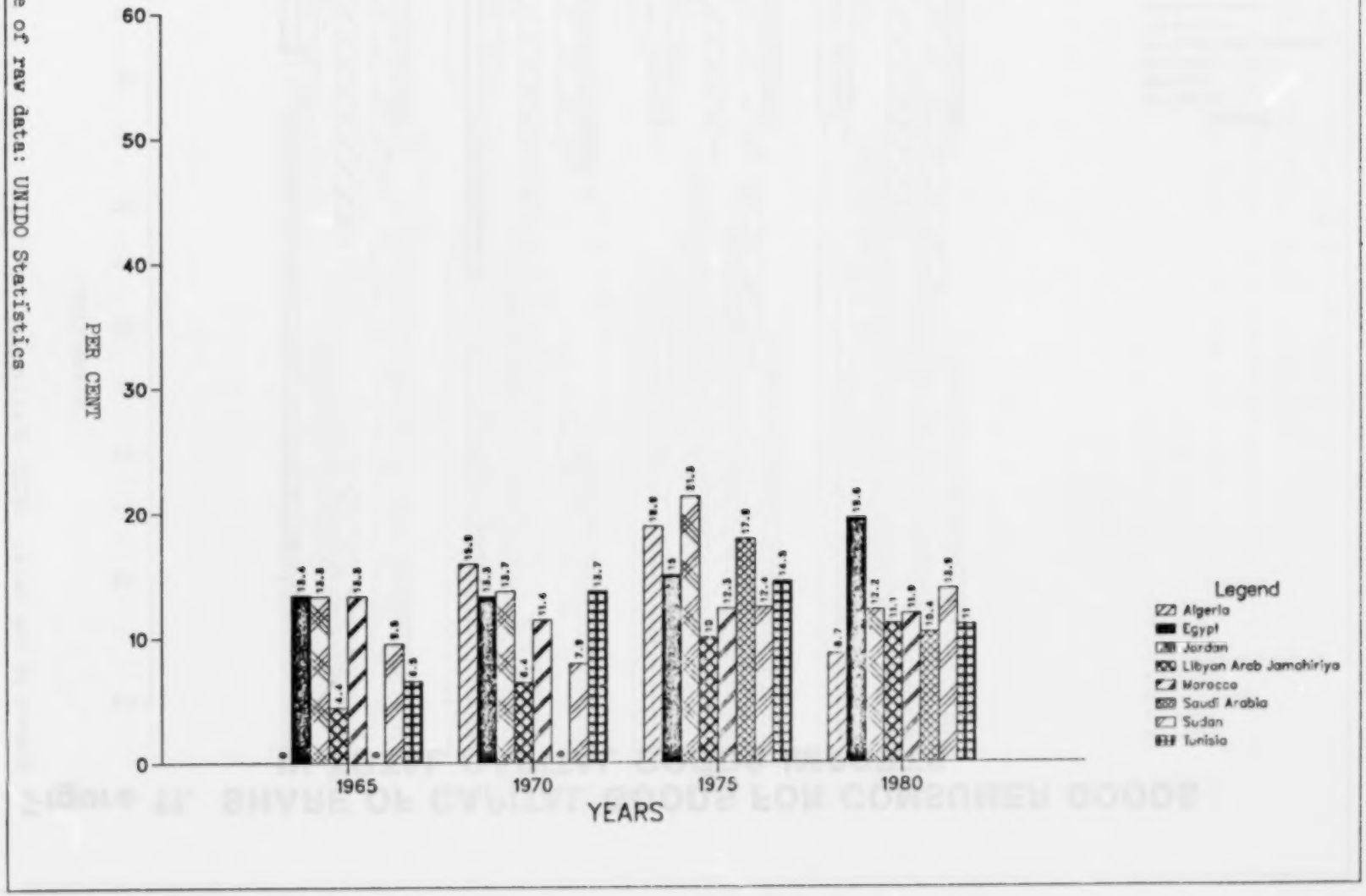
Figure 8. SHARE OF CAPITAL GOODS FOR CAPITAL GOODS IN TOTAL CAPITAL GOODS IMPORTS

Figure 9. SHARE OF CAPITAL GOODS FOR AGRICULTURE IN TOTAL CAPITAL GOODS IMPORTS



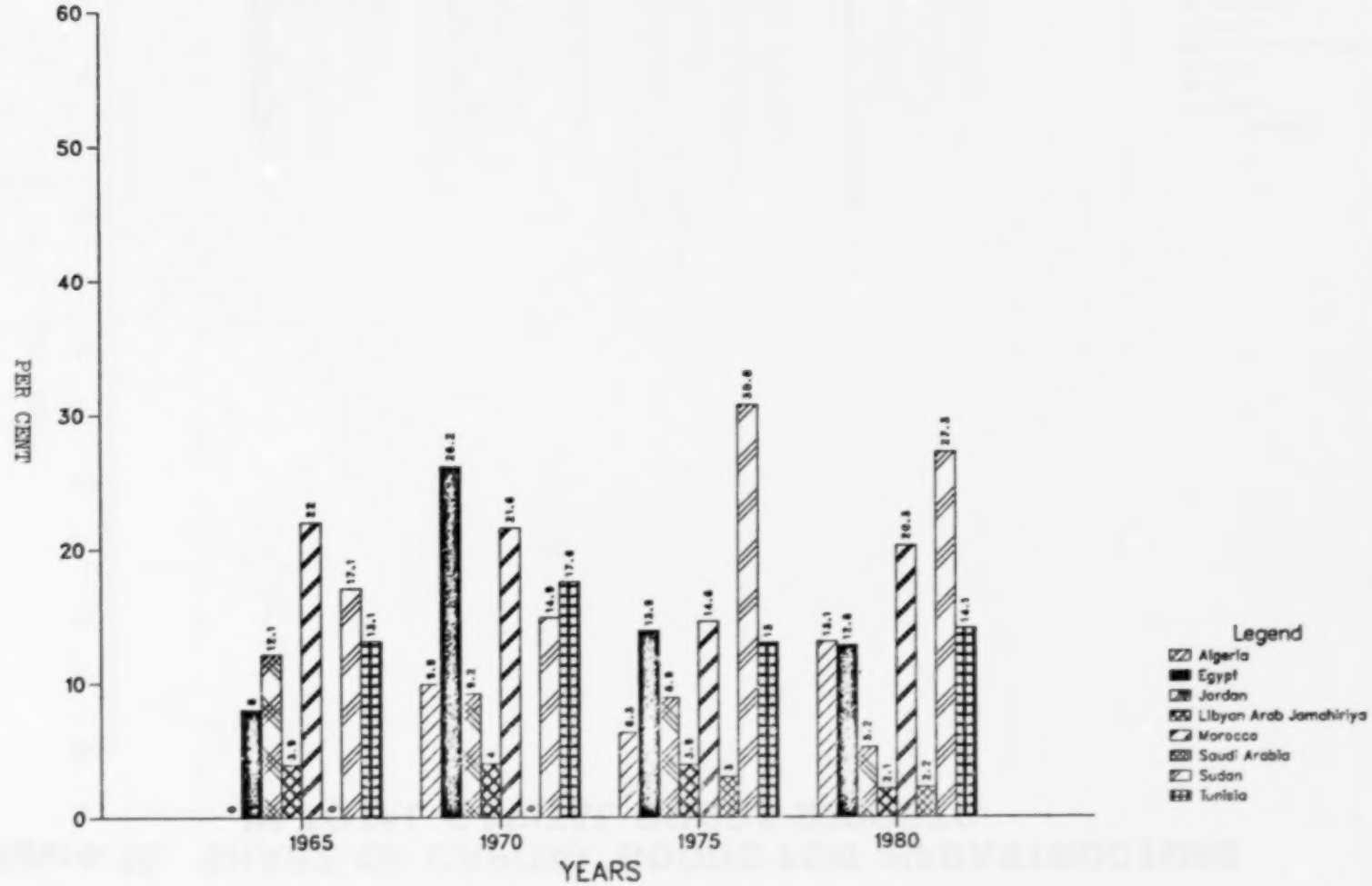
Source of raw data: UNIDO Statistics

Figure 10. SHARE OF CAPITAL GOODS FOR INFRASTRUCTURE IN TOTAL CAPITAL GOODS IMPORTS



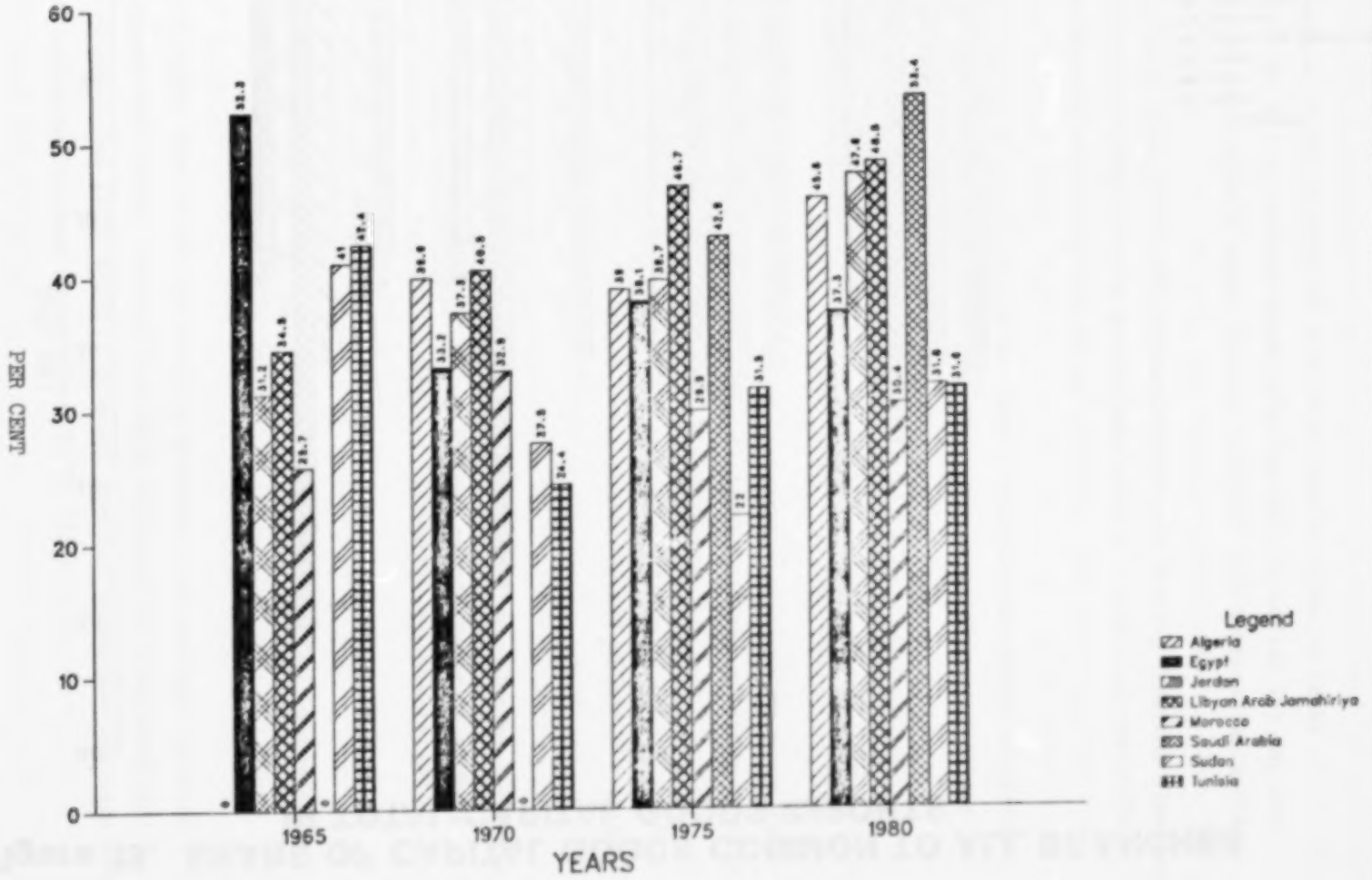
Source of raw data: UNIDO Statistics

Figure 11. SHARE OF CAPITAL GOODS FOR CONSUMER GOODS IN TOTAL CAPITAL GOODS IMPORTS



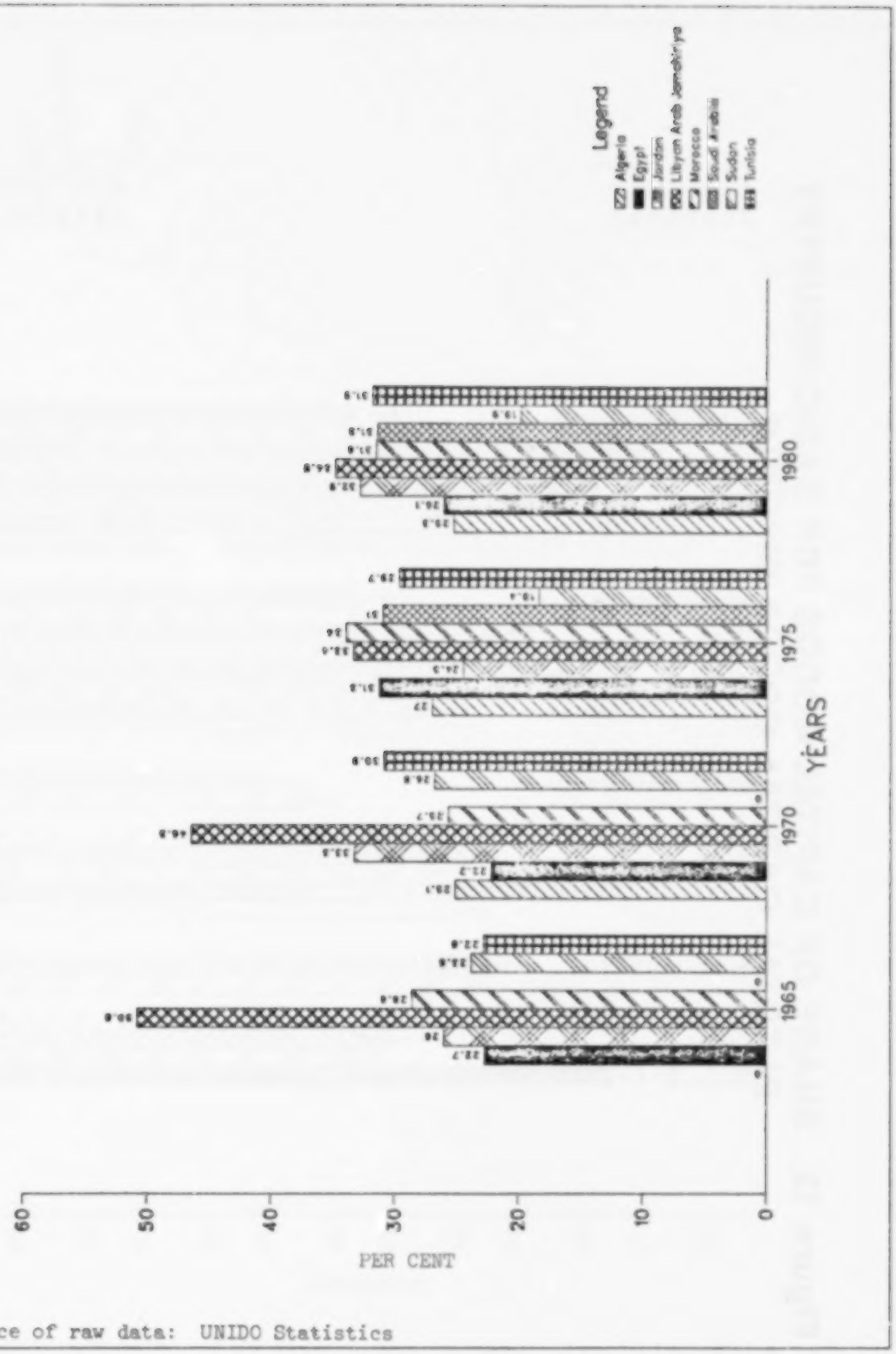
Source of raw data: UNIDO Statistics

Figure 12. SHARE OF CAPITAL GOODS FOR BASIC INDUSTRY IN TOTAL CAPITAL GOODS IMPORTS



Source of raw data: UNIDO Statistics

Figure 13. SHARE OF CAPITAL GOODS COMMON TO ALL BRANCHES IN TOTAL CAPITAL GOODS IMPORTS



Source of raw data: UNIDO Statistics

D. Arab import leaders

Examination of the ranking of Arab countries in terms of their disaggregated imports of capital goods from the OECD countries (by far the major source of Arab capital goods imports) reveals some interesting patterns.

First, there were only a few products where the leading importer also had the fastest average annual import growth rate over the decade of the 1970s. These products will be pointed out below.

Second, the Arab countries can be roughly grouped into three categories in terms of their import leadership position: the largest importers, the fastest growing importers and others.

(i) The largest importers

These are countries that hold import leadership positions in terms of value of imports from OECD countries. The following countries belong to this category: Algeria, Egypt, Iraq, Lebanon, Saudi Arabia.

Table 16 shows the SITCs in which these countries had either the largest or fastest growing imports.

The products where Algeria had the largest imports (hereinafter referred to as "leads") were concentrated in miscellaneous manufactures of metals; metal-working machinery; textile machinery; miscellaneous electrical machinery and apparatus; and railway vehicles.

It had the largest and fastest growing imports of non-self-generating electric railway locomotives (SITC 7312).

Egypt's leads were mostly in printing machinery and railway vehicles. It had the largest and fastest imports from OECD countries of compressed gas cylinders of aluminium (SITC 69232), internal combustion engines for aircraft (SITC 7114) and steam railway locomotives (SITC 7311).

Iraq's leads were concentrated in agricultural machinery and implements; machines for special industries; miscellaneous non-electrical machinery and apparatus; and road motor vehicles.

It had the largest and fastest growing imports of bookbinding machinery (SITC 71821), mechanically propelled road rollers (SITC 7184), and road tractors for tractor-trailer combinations (SITC 7325). Also Iraq had the fastest growing imports (herein after referred to as "growth leads") concentrating on road motor vehicles and machines for special industries.

The Libyan Arab Republic's leads were concentrated in manufactures of metals and its growth lead in non-electrical power-generating machinery.

The Libyan Arab Republic had the largest and fastest growing imports of parts for motorcycles and motorized cycles (SITC 73292).

Saudi Arabia had leads in a variety of sub-groups. They were concentrated in: finished structural parts and structures, not elsewhere specified (n.e.s); metal containers for storage and transport; wire products (excluding electric) and fencing grills; nails, screws, bolts, etc.; tools for use in the hand or in machines; miscellaneous manufactures of metals; non-electric power-generating machinery; non-electrical machinery and appliances and parts (n.e.s.); equipment for distributing electricity; miscellaneous electrical machinery and apparatus; non-electric meters and counters; and measuring, controlling and scientific instruments. Its growth leads were concentrated in non-electrical machinery.

It had the largest and fastest growing imports of wire gauze, netting, grills, fencing, etc. (SITC 6933); jet and gas turbines for aircraft (SITC 71142); lifting and loading machinery (SITC 71931); and insulated wire and cable (SITC 7231).

(ii) The fastest growing importers

The following countries exhibited the fastest growth in the 1970s in the value of a significant number of their capital goods imports from OECD

countries: Jordan, Morocco, Oman, Qatar, the Syrian Arab Republic, the United Arab Emirates and the Yemen Arab Republic.

Table 17 shows the SITCs in which these countries had either the largest or fastest growing imports.

The product groups where Jordan's growth leads were concentrated were non-electric calendering and weighing machines; and manufacturers of metals.

Morocco's growth leads concentration was chiefly in railway vehicles; bicycles; agricultural machinery and appliances for cultivating the soil; and rolling mills and rolls.

Morocco had the largest and fastest growing imports of non-motorized cycles (SITC 73311).

Oman's growth leads were concentrated in pumps for liquids; cleaning and filling machinery for containers and bottles; miscellaneous electrical measuring and controlling instruments and apparatus; other miscellaneous electrical goods and apparatus; and agricultural machinery and appliances for harvesting, threshing and sorting.

Qatar's growth leads were centered on pumps and centrifuges; miscellaneous mechanical machinery and appliances; electric lamps; automotive electrical equipment; other electrical goods and parts; internal combustion engines other than aircraft; and fencing wire of iron and steel.

The Syrian Arab Republic's growth leads were concentrated in sewing machines; machines for special industries (glass and paper); electrical carbons; and motorcycles, auto-cycles and side-cars. It also had the largest imports of sewing machines (SITC 7173) where, as mentioned above, it also had the fastest growth rate; cellulosic pulp machines; chassis with engines mounted for road tractors; parts for non-motorized cycles and carriages.

The United Arab Emirates had growth leads concentrated in compressed gas cylinders of iron and steel; nuts, screws, bolts, nails, etc.; tools for use in the hand or in machines; springs and leaves for springs; flexible tubing and piping of base metals (SITC 69882), for which it also had the largest imports from OECD countries in 1980); textile machinery; and measuring, controlling and scientific instruments.

The Yemen Arab Republic had growth leads concentrated in commercial containers for transport of goods; hand saws and saw blades; chains and parts thereof; interchangeable tools for hand or machine tools; gas-operated welding and cutting appliances; leather-working machinery; eating and cooling equipment; electrical insulating equipment; storage batteries; electric furnaces, electric welding and cutting apparatus; parts of non-motorized cycles and carriages; instruments for measuring and controlling liquids and gases; and supply meters for gases or liquids.

(iii) Others

Eight other countries had leads or growth leads in one ore more capital goods. These are indicated in Table 18.

It should be mentioned here that in this group Kuwait had the largest and fastest growing imports of miscellaneous road tractors and vehicles and their parts (SITC 73333). Mauritania had the largest and fastest growing imports of water turbines and other water engines (SITC 71181), and Sudan of miscellaneous engines, n.e.s. (SITC 71189).

III. ARAB EXPORTS OF CAPITAL GOODS

Having examined the major component of Arab trade in capital goods, i.e. imports, we can turn to the other component, exports.

Figure 14 and Table 19 show the export situation. In 1979 Arab countries exported $1.68 billion of capital goods, an increase by a factor of 14.8 over 1970. This is of about the same magnitude as their growth in imports over the period (14.3 times). When the figures are examined more closely, it is observed that $671.4 million of Arab exports of capital goods or 40 per cent of their total exports were to other Arab countries and that this figure has grown by a factor of 11.6 since 1970. To put it in other words, Arab exports of capital goods to non-Arab countries (1979 level = $1.01 billion) was both larger and had grown faster (18.1 times since 1970) than Arab exports to other Arab countries.

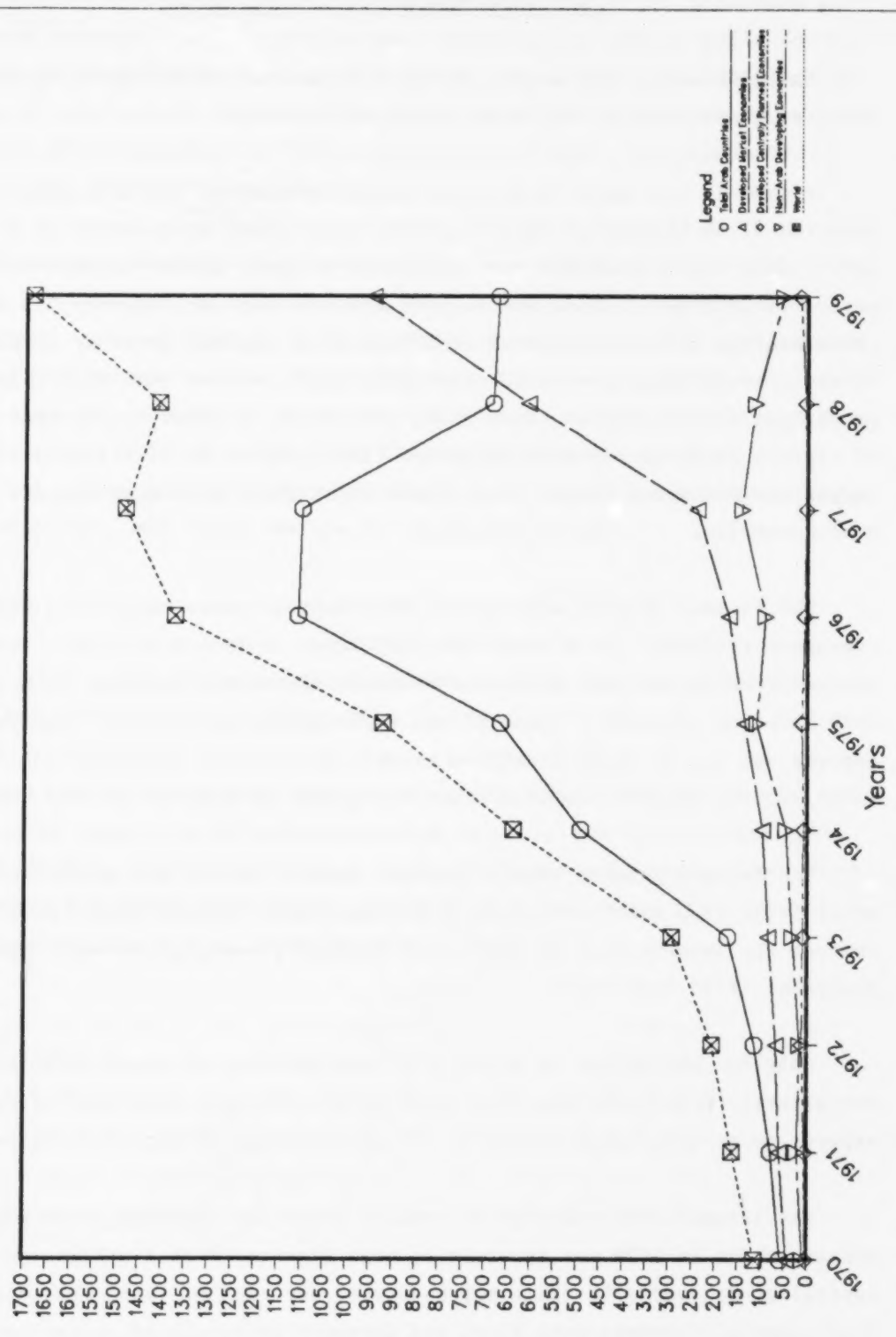
The fastest growing and largest Arab capital goods export was SITC 73, transport equipment (21.8 times the 1970 level or $931.0 million), and the slowest growing was SITC 8618, non-electric meters and counters (2.8 times the 1970 level or $394,000). Most of the rapid growth of transport equipment exports was due to rapid growth of exports to non-Arab countries (35.2 times since 1970 as compared to 12.4 times for growth of exports to Arab countries).

The fastest growing export to other Arab countries was manufactures of metal (SITC 69), which had grown 15.6 times since 1970 to $116.7 million. However the largest item in inter-Arab capital goods exports was transport equipment ($313.0 million).

Only for two groups of goods, i.e. manufactures of metal (SITC 69) and non-electric meters and counters (SITC 8618), did more than half of Arab exports go to other Arab countries (85 per cent and 67 per cent) respectively.

The largest Arab exporter of capital goods was reported to be Saudi Arabia, which in 1979 was reported to have exported $731.7 million worth of capital goods over all. This represents 43 per cent of total Arab exports. Saudi Arabia's exports went first and foremost to developed market economies

Figure 14. ARAB EXPORTS OF CAPITAL GOODS TO VARIOUS DESTINATIONS



Source of raw data: UNIDO Statistics

($426.1 million), followed by developing countries ($305.6) and other Arab countries ($280.6 million). It is interesting to note that in 1975 (the last year for which production data were available) Saudi Arabian value added was reported to be $33 million, concentrated in the manufacture of metals (SITC 69). In that same year Saudi Arabia's exports of SITC 69 amounted to $1.59 million and total exports of capital goods amounted $68.6 million. This points to the probability of major re-exporting of capital goods from Saudi Arabia. This sort of analysis leads to the same conjecture about re-exporting from Syrian Arab Republic, Lebanon, Kuwait, Jordan, Bahrain, the Yemens, Somalia and Mauritania. This pattern evidently needs closer analysis. The use of trade/production ventures with very low value added set up ostensibly as manufacturing establishments to benefit from the special status of such establishments; tax, duty and transfer-pricing considerations; and the international movement of construction equipment at the end of construction projects could provide possible explanations of the re-exporting phenomenon.

Examination of destinations of Arab exports shows that of the total $1.68 billion of such exports in 1979, $945.4 million or 56 per cent went to developed market economies, $671.4 million (40 per cent) went to other Arab countries, $52.4 million (3.1 per cent) went to non-Arab developing countries, and $14.8 million (0.9 per cent) went to developed centrally planned economies.

Figure 14 shows trends of Arab exports of capital goods by destination over time (1970-1979). It is observed that exports to developed market economies have grown steadily over time, overtaking in 1979 the Arab countries themselves as the major destination of Arab exports of capital goods.

Arab exports of capital goods to other Arab countries grew rapidly from 1970-1976, especially in 1974, but levelled off in 1977 and showed a downward trend for 1978-1979.

Exports to other non-Arab developing countries have been erratic although they generally show a slight upward trend. Exports to developed centrally planned economies have been very small in magnitude and have been unstable. In 1975-1977 these exports fell by 82 per cent, and in 1978 grew by 412 per cent.

IV. INTER-ARAB TRADE IN CAPITAL GOODS

In 1979, total inter-Arab trade in capital goods amounted to $671.4 million. As mentioned before, this represented a mere 1.7 per cent of total Arab imports of capital goods. Furthermore, while overall Arab imports of capital goods grew by a factor of 14.3 times over the 1970-1979 period, Arab imports of capital goods from other Arab countries grew by a smaller factor (11.6 times). Thus the share of inter-Arab imports of total Arab imports of capital goods dropped over this period (from 2.1 per cent in 1970).

The growth in inter-Arab trade was also smaller than the growth of overall Arab exports of capital goods (11.6 times and 14.8 times) over the 1970-1979 period, and thus the share of inter-Arab exports in total Arab exports also fell over this period (from 50.8 per cent in 1970 to 39.9 per cent in 1979).

Table 20 shows the details of inter-Arab trade activity in capital goods. It is observed that this activity was largest in SITC 73 (transport equipment), for which inter-Arab trade was $313.0 million in 1979. This was followed by SITC 71 ($138.0 million), SITC 69 ($116.7 million) and SITC 72 ($102.0 million).

Inter-Arab trade activity in SITCs 8618 and 8619 was minimal ($265 thousand dollars and $1.48 million, respectively), although as mentioned, because of the very small volume of Arab exports of non-electric meters and counters (SITC 8618), the small inter-Arab trade in this item represented fully 67 per cent of all Arab exports of SITC 8618. Only in SITC 69 (for which 87 per cent of total Arab exports were in terms of inter-Arab trade) was a larger percentage of Arab exports destined to other Arab countries.

The largest export of capital goods from one Arab country to other Arab countries was the export of $174 million of transport equipment from Saudi Arabia to other Arab countries. Again, it can be expected that a part of this is due to re-exporting and movement of off-road construction vehicles. The largest import of capital goods into one Arab country from other Arab countries was the import of $97.2 million of transport equipment by

the Yemen Arab Republic. Detailed examination of the data shows in fact that, in 1979 $91.2 million of transport equipment was exported from Saudi Arabia to the Yemen Arab Republic. These numbers again point strongly to the possibility of the existence of re-export of capital goods from Saudi Arabia to the Yemen Arab Republic.

Table 20 shows that the largest inter-Arab exporter of capital goods in 1979 was Saudi Arabia ($280.6 million), followed by the United Arab Emirates ($84.7 million), Kuwait ($72.1 million), Oman ($70.5 million), and Lebanon ($60.7 million). All other Arab countries had inter-Arab exports of less than $30 million. The least-active Arab exporter was Mauritania ($118 thousand).

The largest inter-Arab importers of capital goods were the Yemen Arab Republic ($161.8 million) and Saudi Arabia ($148.3 million). All other Arab countries imported less than $50 million per year of capital goods from other Arab countries (the least inter-Arab imports being registered by Djibouti at $75 thousand in 1979). Table 21 shows details of inter-Arab trade in capital goods as reported to the United Nations by the Arab countries themselves, and by their trading partners.

It is observed that only Saudi Arabia has a complete import-export relationship with all other Arab countries, i.e. it imports from all other Arab countries (a total of $148 million ranging from $1 thousand from Djibouti to $47 million from Lebanon) and it exports to all other Arab countries (a total of $280.6 million ranging from $23 thousand to Mauritania to $144 million to the Yemen Arab Republic).

Although the Yemen Arab Republic reported no exports of capital goods to Saudi Arabia, the level of Saudi Arabian exports to the Yemen Arab Republic alone was enough to make the Saudi Arabian-Yemeni trade link in capital goods the largest in the Arab world. These exports alone represented 21.4 per cent of all inter-Arab trade in capital goods.

V. SUMMARY

Arab trade in capital goods grew very rapidly in the 1970's. Imports grew by a factor of 14.3 and exports by a factor of 14.8 over this period. The growth in inter-Arab trade was also very rapid (11.6 times), though slower than the figure for trade with non-Arab countries.

In 1979 Arab countries imported over $39.8 billion of capital goods. The largest imports of capital goods were in non-electrical machinery (SITC 71), where 1979 imports were $14.1 billion, followed by transport equipment (SITC 73), where imports were $10.8 billion, and electrical machinery, apparatus, and appliances (SITC 72) which accounted for $9.3 billion.

The developed market economies had (compared to the developed centrally planned economies and the developing economies) a very strong leading position in market share. The Arab market represented the outlet for 15.2 per cent of the total capital goods exports of developed market economies and 45.7 per cent of the exports of capital goods to developing countries. There was however no one single developed market economy that was the overall market leader. Largest export positions in each SITC group were spread out over a number of countries. In the largest export category (SITC 71), the Federal Republic of Germany held the leading position, although it was closely followed by five other developed market economies. The centrally planned economies and the developing economies play a relatively minor role in this market.

The largest importer of capital goods by far was Saudi Arabia, which imported the vast majority of its capital goods from the developed market economies. The second largest importer in all the six major SITC groupings was Iraq. Exports of capital goods to Arab countries (almost $40 billion in 1979) show a relatively stable pattern in terms of type of capital goods, but much greater variability in terms of geographical origin. Most of the Arab imports of capital goods (62 per cent) came from European countries, followed by East Asian countries and North American countries. Only in 1979 have East Asian exports outstripped North American exports.

Exports of capital goods to Arab countries grew rapidly in the 1970-1977 period but exhibited a marked levelling off in growth after that.

Arab exports of capital goods grew roughly by the same magnitude as Arab imports of capital goods during the 1970's. The level in 1979 was $1.68 billion or 4.2 per cent of the level of imports. Forty per cent of total Arab exports were to other Arab countries. The rate of growth of Arab exports to non-Arab countries was, however, faster than the rate of growth of inter-Arab trade. The fastest growing inter-Arab export item was manufacture of metals, SITC 69 ($116.7 million in 1979), the largest was transport equipment, SITC 73 ($313.0 million in 1979). Overall, the largest and fastest growing Arab capital goods export was transport equipment ($931.9 million in 1979). Forty-three per cent of all Arab exports of capital goods were realized by Saudi Arabia, first and foremost to developed market economies. There is strong evidence of considerable re-exporting of capital goods by a number of Arab countries.

Inter-Arab trade in capital goods represented only 1.7 per cent of total Arab imports and its share fell over the decade (from 2.1 per cent in 1970). The share of inter-Arab trade in Arab exports also dropped over the decade (from 50.8 per cent in 1970 to 39.9 per cent in 1979). Inter-Arab trade was largest in transport equipment, SITC 73 ($313.0 million in 1979). The largest inter-Arab exporter of capital goods was Saudi Arabia ($280.6 million) and the largest Arab importer of capital goods from other Arab countries was the Yemen Arab Republic ($161.8 million in 1979). Most inter-Arab capital goods imports of the Yemen Arab Republic were from Saudi Arabia and this linkage constituted the largest inter-Arab trade flow in capital goods.

The overall picture that emerges is of rapidly expanding Arab imports and exports of capital goods, concentrating on trade with developed market economies and inter-Arab trade. Although exports grew rapidly (slightly faster than imports), they still represented only a very small share of Arab trade in capital goods.

Table 1. World trade in engineering products (SITC Rev.2, Section 7 by 42 leading exporting countries a/

(Value in millions of US $, f.o.b.)

Importers	Exporters: Developed market economies 1980	1970	Growth	Developed centrally planned economies 1980	1970	Growth
Developed market economies	290,167.4	57,617.9	551%	4,039.0	800.1	505%
Developed centrally planned economies	12,320.3	2,376.7	518%	30,351.1	7,202.7	421%
Developing economies	133,522.4	18,419.6	725%	8,043.2	2,065.7	389%
Total world	436,010.2	78,414.2	556%	45,713.8	10,072.2	454%

a/ Covers 91% of world trade of capital goods.

Source: Economic Commission for Europe, Bulletin of Statistics on World Trade in Engineering Products, 1980.

Table 1. World trade in engineering products (SITC Rev.2, Section 7 by 42 leading exporting countries a/

(Value in millions of US $, f.o.b.)

(continued)

Importers	Exporters: Developing economies 1980	Developing economies 1970	Developing economies Growth	Total world 1980	Total world 1970	Total world Growth
Developed market economies	8,433.6	504.5	1,672%	302,640.0	58,922.5	514%
Developed centrally planned economies	11.0	7.6	145%	42,682.4	9,587.0	445%
Developing economies	7,057.3	455.6	1,548%	148,622.9	20,940.9	710%
Total world	15,501.9	967.7	1,602%	497,225.9	89,454.1	556%

a/ Covers 91% of world trade of capital goods.

Source: Economic Commission for Europe, Bulletin of Statistics on World Trade in Engineering Products, 1980.

Table 2. Share of capital goods imports in Arab countries' imports

Country	1970 Total imports M $	1970 Capital goods imports M $	1970 %	1979 Total imports M $	1979 Capital goods imports M $	1979 %
Algeria	1,257	663	53	8,429	4,134	49
Egypt	787	216	27	3,837	1,374	36
Djibouti	...	10	...	...	47	...
Libyan Arab Jamahiriya	554	188	34	5,311	2,823	53
Morocco	684	241	35	3,678	1,027	28
Sudan	284	93	33	1,110	458	41
Tunisia	306	90	30	2,849	832	29
Mauritania	76	24	32	566	93	16
Somalia	45	9	20	287	192	67
Bahrain	247	62	25	2,481	509	20
Democratic Yemen	200	15	8	393	191	49
Iraq	509	177	35	8,500	4,783	56
Jordan	184	37	20	1,958	573	29
Kuwait	625	238	38	5,204	2,875	55
Lebanon	567	129	23	2,800	799	28
Oman	180	30	17	1,246	531	43
Qatar	160	80	50	1,425	866	61
Saudi Arabia	692	354	51	24,462	11,691	48
Syrian Arab Rep.	357	71	20	3,329	1,189	36
United Arab Emirates	267	50	19	6,96o	3,283	47
Yemen Arab Rep.	32	7	22	1,492	584	39
TOTAL	8,013	2,784	35	86,317	39,854	45

Source: For total imports: UN Monthly Bulletin of Statistics.
For capital goods imports: UNIDO Statistics.

Table 3. STRUCTURAL PATTERN OF CAPITAL GOODS IMPORTS IN 1970 and 1979

(Share of each category in total Arab capital goods imports, %)

IMPORTER	MANUFACTURES OF METAL		MACHINERY OTHER THAN ELECTRIC		ELECTRIC MACHINERY, APPARATUS AND APPLIANCES		TRANSPORT EQUIPMENT		METERS AND COUNTERS, NON-ELECTRIC		CONTROL, MEASURING, SCIENTIFIC INSTRUMENTS		TOTAL GROWTH PER CENT 100 % 1970=100
SITC	69		71		72		73		8618		8619		
	1970	1979	1970	1979	1970	1979	1970	1979	1970	1979	1970	1979	1979
ALGERIA	13,3	15,6	50,7	50,0	14,4	17,6	20,0	15,5	0,2	0,2	1,4	1,1	623
BAHRAIN	18,1	15,1	46,1	33,0	19,6	30,0	15,8	21,3	0,07	0,0	0,31	0,6	824
DJIBOUTI	6,5	8,5	21,1	26,4	21,7	18,7	50,4	45,3	0,01	0,0	0,03	0,9	479
EGYPT	4,8	10,9	44,7	40,1	17,3	16,7	32,1	30,8	0,1	0,2	1,0	1,3	635
IRAQ	8,6	12,4	38,5	40,0	26,7	19,0	24,6	27,0	0,2	0,2	1,3	1,0	3275
JORDAN	15,4	10,0	30,0	30,0	21,4	19,8	32,0	40,0	0,3	0,2	1,0	1,0	1530
KUWAIT	5,4	7,0	28,6	21,0	31,7	24,0	33,5	47,4	0,05	0,04	0,8	0,6	1207
LEBANON	11,7	10,5	33,7	34,2	25,1	27,3	29,0	27,2	0,02	0,2	0,7	0,6	621
LIBYAN ARAB JAMAHIRIYA	10,3	18,2	37,0	30,0	24,6	25,5	26,0	25,1	0,3	0,07	1,9	1,4	1504
MAURITANIA	12,2	9,0	36,9	30,7	14,2	15,1	35,6	44,3	0,5	0,2	0,7	0,7	378
MOROCCO	9,2	10,4	42,0	48,8	19,7	15,0	28,4	25,0	0,04	0,04	0,8	1,0	427
OMAN	10,2	6,3	29,4	25,6	16,3	19,7	43,0	48,2	0,2	0,05	0,9	0,2	1779
QATAR	8,4	10,0	42,4	58,0	18,4	16,0	29,0	15,0	0,1	0,05	1,8	1,7	1079
SAUDI ARABIA	9,0	15,0	30,0	28,5	25,0	30,0	35,0	27,0	0,1	0,3	0,3	0,8	3304
SOMALIA	14,3	9,5	22,4	29,0	10,1	17,5	52,4	42,5	0,03	0,1	1,0	0,7	2174
SUDAN	10,2	12,0	35,8	43,5	12,6	11,8	40,0	31,7	0,2	0,2	0,9	0,9	491
SYRIAN ARAB REPUBLIC	8,6	9,0	49,7	42,4	20,3	22,0	19,8	25,3	0,03	1,4	1,7	1,2	1681
TUNISIA	9,4	9,3	46,6	45,0	24,0	11,3	18,0	22,8	0,6	0,3	1,5	1,4	921
UNITED ARAB EMIRATES	12,8	12,5	38,0	40,0	28,0	25,7	19,5	21,2	0,1	0,1	1,4	0,6	6578
YEMEN ARAB REPUBLIC	10,0	13,4	50,0	29,7	14,6	25,5	24,0	30,7	0,5	0,2	0,5	0,7	8262
DEMOCRATIC YEMEN	13,8	8,1	31,1	23,5	29,4	47,0	25,0	21,0	0,2	0,04	0,4	0,5	1239
ARAB COUNTRIES	10,0	13,0	40,4	35,5	21,0	23,5	27,4	27,0	0,2	0,2	1,2	0,9	1431
W O R L D	7,3	7,2	40,5	37,4	18,9	20,8	31,6	33,2	0,1	0,1	1,6	1,3	510
DEVELOPING COUNTRIES	8,7	8,8	43,7	40,0	19,6	22,3	26,4	27,7	0,1	0,1	1,4	1,1	660
CMEA EXPORTS TO ARAB COUNTRIES	8,5	13,0	44,4	42,4	24,4	26,4	21,4	14,5	0,3	0,6	1,0	3,1	623

Source: UNIDO Statistics

Table 4. World exports of capital goods to Arab countries in 1979 a/

(In thousands of US dollars)

	Exporters		
	North America	Latin America	Africa
Manufactures of Metal (SITC 69)	569,260	34,973	10,729
Machinery Other than Electric (SITC 71)	2,471,759	81,117	7,025
Electric Machinery, Apparatus and Appliances (SITC 72)	1,280,520	25,166	9,533
Transport Equipment (SITC 73)	2,138,375	127,692	7,763
Meters and Counters, Non-electric (SITC 8618)	5,134	554	3
Control, Measuring, Scientific Instruments (SITC 8619)	57,602	1,449	233
All Capital Goods	6,522,650	271,011	35,286

a/ The numbers in this table are slightly different from the following tables because of the use of partner-reported data and rounding.

Table 4. World exports of capital goods to Arab countries in 1979

(Continued)

(In thousands of US dollars)

	Exporters		
	Oceania	West Asia	East Asia
Manufactures of Metal (SITC 69)	20,578	116,315	794,133
Machinery Other than Electric (SITC 71)	14,644	163,061	1,794,058
Electric Machinery, Apparatus and Appliances (SITC 72)	13,302	112,380	2,051,875
Transport Equipment (SITC 73)	4,361	331,480	2,649,492
Meters and Counters, Non-electric (SITC 8618)	88	264	5,442
Control, Measuring, Scientific Instruments (SITC 8619)	387	1,411	30,419
All Capital Goods	53,360	724,911	7,325,419

Table 4. World exports of capital goods to Arab countries in 1979

(Continued)

(In thousands of US dollars)

	Exporters		
	Europe (excl. USSR)	USSR	World
Manufactures of Metal (SITC 69)	3,576,045	38,581	5,160,617
Machinery Other than Electric (SITC 71)	9,544,771	59,868	14,136,365
Electric Machinery, Apparatus and Appliances (SITC 72)	5,815,093	38,971	9,346,844
Transport Equipment (SITC 73)	5,508,600	9,079	10,776,845
Meters and Counters, Non-electric (SITC 8618)	58,979	152	70,620
Control, Measuring, Scientific Instruments (SITC 8619)	250,800	20,517	362,821
All Capital Goods	24,754,288	167,168	39,854,112

Table 5. World exports of capital goods to Arab countries in 1979 a/

(In thousands of US dollars)

	Exporters		
	North America	Latin America	Africa
Manufactures of Metal (SITC 69)	18,767	84	2,199
Machinery Other than Electric (SITC 71)	208,248	1,197	1,677
Electric Machinery, Apparatus and Appliances (SITC 72)	55,575	86	1,456
Transport Equipment (SITC 73)	133,671	212	5,349
Meters and Counters, Non-electric (SITC 8618)	414	-	80
Control, Measuring, Scientific Instruments (SITC 8619)	10,659	-	23
All Capital Goods	427,234	1,579	10,784

a/ The numbers in this table are slightly different from the following tables because of the use of partner-reported data and rounding.

Table 5. World exports of capital goods to Arab countries in 1979 a/

(In thousands of US dollars)

(continued)

	Exporters		
	Oceania	West Asia	East Asia
Manufactures of Metal (SITC 69)	734	6,576	27,233
Machinery Other than Electric (SITC 71)	594	13,122	44,787
Electric Machinery, Apparatus and Appliances (SITC 72)	477	10,827	94,707
Transport Equipment (SITC 73)	1,607	21,700	69,496
Meters and Counters, Non-electric (SITC 8618)	60	29	101
Control, Measuring, Scientific Instruments (SITC 8619)	13	257	849
All Capital Goods	3,485	52,511	237,173

a/ The numbers in this table are slightly different from the following tables because of the use of partner-reported data and rounding.

Table 5. World exports of capital goods to Arab countries in 1979 a/

(In thousands of US dollars)

(continued)

	Exporters		
	Europe (excl. USSR)	USSR	World
Manufactures of Metal (SITC 69)	221,165	2,594	279,356
Machinery Other than Electric (SITC 71)	846,502	5,919	1,121,949
Electric Machinery, Apparatus and Appliances (SITC 72)	405, 855	13,900	582,888
Transport Equipment (SITC 73)	519,301	10,557	761,897
Meters and Counters, Non-electric (SITC 8618)	4,101	2	4,790
Control, Measuring, Scientific Instruments (SITC 8619)	21,677	116	33,597
All Capital Goods	2,018,601	33,088	2,784,477

a/ The numbers in this table are slightly different from the following tables because of the use of partner-reported data and rounding.

Table 6. Growth of world exports of capital goods to Arab Countries

(Ratio of 1979 exports to 1970 exports)

	Exporters		
	North America	Latin America	Africa
Manufactures of Metal (SITC 69)	30.3	416.4	4.9
Machinery Other than Electric (SITC 71)	11.9	67.8	4.2
Electric Machinery, Apparatus and Appliances (SITC 72)	23.0	292.6	6.5
Transport Equipment (SITC 73)	16.0	602.3	1.5
Meters and Counters, Non-electric (SITC 8618)	12.4	-	0.04
Control, Measuring, Scientific Instruments (SITC 8619)	5.4	-	10.1
All Capital Goods	15.3	171.6	3.3

Table 6. Growth of world exports of capital goods to Arab Countries

(Ratio of 1979 exports to 1970 exports)

(continued)

	Exporters		
	Oceania	West Asia	East Asia
Manufactures of Metal (SITC 69)	28.0	17.7	29.2
Machinery Other than Electric (SITC 71)	24.7	12.4	40.1
Electric Machinery, Apparatus and Appliances (SITC 72)	27.9	10.4	21.7
Transport Equipment (SITC 73)	2.7	15.3	38.1
Meters and Counters, Non-electric (SITC 8618)	1.5	9.1	53.9
Control, Measuring, Scientific Instruments (SITC 8619)	29.8	5.5	35.8
All Capital Goods	15.3	13.8	30.9

Table 6. Growth of world exports of capital goods to Arab Countries

(Ratio of 1979 exports to 1970 exports)

(continued)

	Exporters		
	Europe (excl. USSR)	USSR	World
Manufactures of Metal (SITC 69)	16.2	14.9	18.5
Machinery Other than Electric (SITC 71)	11.3	10.1	12.6
Electric Machinery, Apparatus and Appliances (SITC 72)	14.3	2.8	16.0
Transport Equipment (SITC 73)	10.6	0.9	14.1
Meters and Counters, Non-electric (SITC 8618)	14.4	76.0	14.7
Control, Measuring, Scientific Instruments (SITC 8619)	11.6	176.9	10.8
All Capital Goods	12.3	5.1	14.3

Table 7. Export of capital goods to Arab countries by economic grouping of exporters

(Value in thousands of US dollars)

	Exporter		
	Development market economies		
SITC	1970	1979	Growth 1970-79
69	246,469	4,609,868	1,870%
71	1,035,626	13,355,754	1,290%
72	518,594	8,666,090	1,671%
73	699,288	9,986,899	1,428%
8618	4,295	64,769	1,508%
8619	31,812	328,451	1,032
Total	2,536,084	37,011,831	1,459%
Share of Arab imports	90.8%	92.3%	

Table 7. Export of capital goods to Arab countries by economic grouping of exporters

(Value in thousands of US dollars)

(continued)

SITC	Exporter: Developed centrally planned economies 1970	1979	Growth 1970-79
69	10,437	99,361	952%
71	54,526	324,280	595%
72	29,920	201,870	675%
73	26,208	110,936	423%
8618	377	4,712	1,966%
8619	1,218	23,398	1,921
Total	122,686	764,557	623%
Share of Arab imports	4.4%	1.9%	

Table 7. Export of capital goods to Arab countries by economic grouping of exporters

(Value in thousands of US dollars)

(continued)

	Exporter		
	Developing Economies		
SITC	1970	1979	Growth 1970-79
69	24,044	484,482	2,015%
71	32,860	537,907	1,637%
72	36,787	540,091	1,468%
73	40,855	728,013	1,782%
8618	126	1,343	1,066%
8619	574	12,906	2,248
Total	135,246	2,304,742	1,704%
Share of Arab imports	4.8%	5.8%	

Table 8. Exports to Arab countries of manufactures of metals (SITC 69) in 1979

(In thousands of US dollars)

Importers	Exporters		
Arab countries	Developed market economies	Developed centrally planned economies	Developing economies
Algeria	618,539	20,098	5,212
Bahrain	53,263	73	23,674
Democratic Yemen	14,666	-	753
Djibouti	3,541	-	416
Egypt	130,363	8,058	11,455
Iraq	691,599	3,397	23,912
Jordan	45,773	1,595	9,360
Kuwait	179,572	249	18,462
Lebanon	81,753	566	1,995
Libyan Arab Jamahiriya	444,105	47,965	20,712
Mauritania	5,855	-	2,495
Morocco	100,837	2,592	3,254
Oman	24,306	11	8,882
Qatar	73,420	157	11,356
Saudi Arabia	1,480,828	5,606	265,489
Somalia	17,893	-	1,417
Sudan	38,825	2,664	13,132
Syrian Arab Republic	98,185	1,549	7,085
Tunisia	72,599	3,242	4,063
United Arab Emirates	386,652	642	21,753
Yemen Arab Republic	47,584	889	29,595
Total Arab countries	4,609,868	99,361	484,482
Developed market economies	19,075,068	305,928	1,145,388
Developed centrally planned economies	1,252,398	233,688	35,497
Developing countries	10,085,292	217,127	1,237,494
World	30,412,759	756,744	2,418,381

Table 9. Exports to Arab countries of manufactures of metals (SITC 71) non-electrical machinery in 1979

(In thousands of US dollars)

Importers	Exporters		
Arab countries	Developed market economies	Developed centrally planned economies	Developing economies
Algeria	2,009,685	48,373	9,909
Bahrain	127,867	86	39,726
Democratic Yemen	41,640	1,494	1,748
Djibouti	12,229	-	39
Egypt	486,528	45,291	20,672
Iraq	2,117,767	131,014	52,005
Jordan	147,132	7,377	11,031
Kuwait	592,218	237	15,799
Lebanon	266,134	4,014	3,335
Libyan Arab Jamahiriya	794,810	33,692	13,430
Mauritania	23,561	-	4,933
Morocco	491,349	7,966	1,630
Oman	116,027	21	19,877
Qatar	489,581	6	9,946
Saudi Arabia	3,149,957	6,509	215,474
Somalia	55,628	-	447
Sudan	171,256	8,056	20,059
Syrian Arab Republic	486,163	14,870	3,315
Tunisia	364,613	8,543	27,985
United Arab Emirates	1,282,497	748	28,249
Yemen Arab Republic	129,102	5,913	38,288
Total Arab countries	13,355,754	324,280	537,907
Developed market economies	101,506,043	1,428,190	2,132,002
Developed centrally planned economies	10,332,274	5,563,430	1,276,088
Developing countries	47,819,959	2,900,761	2,198,998
World	159,658,277	9,892,381	5,607,088

Table 10. Exports to Arab countries of electrical machinery, apparatus, and appliances (SITC 72) in 1979

(In thousands of US dollars)

Importers	Exporters		
Arab countries	Developed market economies	Developed centrally planned economies	Developing economies
Algeria	696,308	25,684	6,015
Bahrain	137,757	342	14,647
Democratic Yemen	36,320	14	3,627
Djibouti	8,125	-	589
Egypt	190,815	15,257	34,951
Iraq	1,076,124	26,868	33,512
Jordan	96,726	3,777	12,777
Kuwait	599,814	34,288	53,349
Lebanon	206,795	1,264	10,393
Libyan Arab Jamahiriya	661,268	45,189	12,186
Mauritania	13,161	-	806
Morocco	147,922	3,604	2,365
Oman	90,300	27	14,101
Qatar	130,421	156	6,666
Saudi Arabia	3,213,890	17,987	192,743
Somalia	32,800	-	899
Sudan	44,437	1,915	7,847
Syrian Arab Republic	241,335	10,367	9,971
Tunisia	172,240	2,399	12,524
United Arab Emirates	761,240	12,127	69,915
Yemen Arab Republic	108,281	596	40,198
Total Arab countries	8,666,090	201,870	540,091
Developed market economies	53,660,228	622,482	7,415,995
Developed centrally planned economies	2,887,664	2,406,744	106,604
Developing countries	26,690,311	496,414	2,553,193
World	83,238,205	3,525,640	10,075,793

Table 11. Exports to Arab countries of transport equipment (SITC 73) in 1979

(In thousands of US dollars)

Importers	Exporters		
Arab countries	Developed market economies	Developed centrally planned economies	Developing economies
Algeria	588,405	19,410	32,986
Bahrain	91,508	-	16,635
Democratic Yemen	46,210	1,651	42,007
Djibouti	20,795	-	290
Egypt	357,395	17,801	67,979
Iraq	1,439,451	23,028	100,630
Jordan	205,788	2,449	21,952
Kuwait	1,267,444	2,792	93,475
Lebanon	213,294	675	3,275
Libyan Arab Jamahiriya	679,606	9,527	19,141
Mauritania	37,610	-	3,452
Morocco	249,047	133	5,957
Oman	230,035	12	25,611
Qatar	120,243	-	8,708
Saudi Arabia	3,072,735	1,393	91,219
Somalia	75,731	-	6,118
Sudan	129,857	847	14,391
Syrian Arab Republic	280,405	16,394	3,838
Tunisia	173,288	13,937	5,632
United Arab Emirates	630,350	17	64,211
Yemen Arab Republic	77,691	760	100,898
Total Arab countries	9,986,899	110,936	728,013
Developed market economies	107,931,297	1,501,839	2,146,771
Developed centrally planned economies	2,437,904	3,554,590	9,767
Developing countries	33,532,579	426,943	2,553,799
World	143,901,782	5,483,373	4,710,338

Table 12. Exports to Arab countries of non-electric meters and counters (SITC 8618) in 1979

(In thousands of US dollars)

Importers	Exporters		
Arab countries	Developed market economies	Developed centrally planned economies	Developing economies
Algeria	6,076	2,804	1
Bahrain	27	-	2
Democratic Yemen	68	-	-
Djibouti	66	-	-
Egypt	2,401	860	88
Iraq	9,413	-	20
Jordan	948	103	82
Kuwait	1,390	-	1
Lebanon	1,246	-	-
Libyan Arab Jamahiriya	1,761	74	1
Mauritania	177	-	-
Morocco	444	-	-
Oman	292	-	1
Qatar	579	-	-
Saudi Arabia	31,013	497	605
Somalia	213	-	-
Sudan	1,062	-	5
Syrian Arab Republic	1,691	-	-
Tunisia	1,498	347	399
United Arab Emirates	3,531	-	80
Yemen Arab Republic	863	22	50
Total Arab countries	64,769	4,712	1,343
Developed market economies	451,435	1,768	25,367
Developed centrally planned economies	18,505	-	-
Developing countries	158,529	5,717	11,190
World	628,470	7,485	36,558

Table 13. Exports to Arab countries of control, measuring, and scientific instrument (SITC 8619) in 1979

(In thousands of US dollars)

Importers	Exporters		
Arab countries	Developed market economies	Developed centrally planned economies	Developing economies
Algeria	42,607	1,856	80
Bahrain	2,650	-	351
Democratic Yemen	896	-	-
Djibouti	421	-	-
Egypt	17,382	558	268
Iraq	54,130	-	570
Jordan	5,654	78	229
Kuwait	15,506	-	205
Lebanon	4,626	-	117
Libyan Arab Jamahiriya	19,484	19,750	480
Mauritania	563	-	52
Morocco	9,415	118	273
Oman	976	-	110
Qatar	14,438	-	31
Saudi Arabia	87,599	360	6,635
Somalia	1,277	-	14
Sudan	2,124	2	1,843
Syrian Arab Republic	14,174	-	82
Tunisia	11,005	673	819
United Arab Emirates	20,582	-	388
Yemen Arab Republic	2,932	-	349
Total Arab countries	328,451	23,398	12,906
Developed market economies	3,954,664	47,394	80,301
Developed centrally planned economies	319,419	-	259
Developing countries	1,411,368	28,863	50,833
World	5,685,452	76,257	131,394

Table 14. SITC codes for categories of capital goods by end-use

I.	Capital goods for capital goods:	715.1
II.	Capital goods for agriculture:	712
III.	Capital goods for infrastructure:	718.4+ /724 - (724.1 + 724.2)/
IV.	Capital goods for consumer goods:	717 718.1 718.2 718.3 719.5 719.62
V.	Capital goods for basic industry:	711.1, 2, 3 711.6 711.7 (715 - 715.1) 718.51 718.52 719.11, 19 722 723 1/2 X (719.2) 1/2 X (719.3) 691 692
VI.	Capital goods common to all branches:	714 719.2 719.13, 14 719.15 1/2 X (719.2) 1/2 X (719.3) 719.61 719.63 719.64 719.65 719.66 719.7 719.8 719.9 /729 - (729.1 + 729.4/
VII.	Capital goods for transport:	73 711.4 711.5 729.1 729.4

Table 15. Growth rates of capital goods imports (1970 to 1975 and 1975 to 1980) for selected Arab countries (in per cent)

	capital goods for capital goods		capital goods for agriculture		capital goods for infra-structure		capital goods for con-sumer goods		capital goods for basic industry		capital goods common to all branches		Total		capital goods for transport	
	75/70	80/75	75/70	80/75	75/70	80/75	75/70	80/75	75/70	80/75	75/70	80/75	75/70	80/75	75/70	80/75
Saudi Arabia	..	45	..	32	..	39	..	46	..	62	..	55	..	55	..	37
Libyan Arab Jamahiriya	64	7	80	5	65	20	50	4	55	19	41	19	51	18	50	14
Algeria	64	10	28	0	43	-0,93	26	26	31	13	40	8	38	9	37	12
Jordan	80	8	20	4	59	20	50	16	47	4	42	37	51	29	55	17
Egypt	7	21	45	16	38	21	19	13	37	15	45	11	35	15	34	7
Tunisia	27	17	37	11	40	6	31	14	46	12	38	14	39	12	49	11
Morocco	33	4	29	0	30	7	18	15	26	8	36	6	28	8	29	-0,97
Sudan	32	28	22	0,96	43	19	51	13	25	28	21	18	31	16	30	0,95
Total	46	14	36	9	43	16	27	20	40	30	40	25	38	25	38	20
Total (excluding Saudi Arabia)	46	10	30	3	43	6	27	17	40	15	40	13	38	12	38	9

.. = not available

Table 16. Arab Import Leaders:
The Largest Importers (from OECD countries) a/

Algeria had the largest imports for the following SITCs:

69524, 69526, 6986, 71521, 71522, 71711, 71712, 71714, 71715, 79911, 72941, 7312, 73162, 73289, 86182

It also had the fastest growing (over the 1970s imports) of SITCs:

7312 and 7315

Egypt had the largest imports of SITCs:

69232, 711421, 71713, 72822, 71829, 71839, 7311, 7314, 7315, 7317

It had the fastest growing imports of SITCs:

6912, 69232, 69522, 71141, 71231, 7311

Iraq had the largest imports of SITCs:

7122, 71299, 7172, 71841, 71821, 71842, 71851, 71852, 71914, 71932, 72995, 72996, 7322, 7325, 86195

It had the fastest growing imports of SITCs:

71821, 71914, 7325, 7326, 73289, 7334

The Libyan Arab Jamahiriya had the largest growing imports of SITCs:

6922, 6932, 6951, 71292, 73292

It had the fastest growing imports of SITCs:

7327, 73292

Saudia Arabia had the largest imports of SITCs:

6911, 6912, 6921, 69231, 6931, 6933, 6941, 6942, 69521, 69522, 69523, 69525, 6983, 6984, 69887, 7111, 7112, 71131, 71132, 71142, 7115, 7116, 71239, 71912, 71919, 71921, 71922, 71923, 71031, 71051, 71964, 7198, 7231, 72321, 72322, 72323, 72912, 72951, 72952, 7296, 72994, 7297, 72998, 72999, 7321, 7324, 73281, 73291, 7334, 86181, 8619, 86196, 8619

It had the fastest growing imports of SITCs:

6933, 69526, 71142, 71521, 7172, 71831, 71931, 71952, 71966, 7231

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a/ Source of raw data: Organization for Ecomomic Co-operation and Development

Table 17. Arab Import Leaders:
The Fastest Growing Importers (from OECD Countries) a/

Jordan had the fastest growing imports of the following SITCs:

6921, 69887, 71292, 71961, 71963

Morocco had the fastest growing imports of SITCs:

6984, 7121. 71522, 7313. 73162, 73311

It had the largest imports of SITCs 71231 and 73311.

Oman had the fastest growing imports of SITCs:

7122, 71921, 71962, 72952, 72994, 72999

Qatar had the fastest growing imports of SITCs:

7115, 71922, 71923, 7198, 7292, 72941, 72998

The Syrian Arab Republic had the fastest growing imports of SITCs:

7173, 71812, 71852, 7296, 73291

It also had the largest imports of SITCs:

7173, 71811, 7326, 73312.

The United Arab Emirates had the fastest growing imports of SITCs:

69231, 6941, 6942, 6951, 69523, 6986, 69882, 71715, 86195, 86196

It also had the largest imports of SITC 69882.

The Yemen Arab Republic had the fastest growing imports of SITCs:

6922, 69521, 6983, 69524, 71523, 71712, 71912, 72323, 72912, 72992, 73312, 86181

It also had the largest imports of SITC 7121.

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a/ Source of raw data: Organization for Economic Co-operation and Development

Table 18. Other Arab Import Leaders (from OECD countries) a/

Bahrain had the fastest growing imports of SITCs:

69525, 72322

Democratic Yemen had the largest imports of SITC 71523 and the fastest growing imports of SITCs 6911, 6931, and 72321.

Djibouti had the fastest growing imports of SITCs:

71239, 71711, 71713

Kuwait had the largest imports of SITCs:

73331 and 73333;

Lebanon had the largest imports of SITCs:

7327, 7331, 7332

It had the fastest growing imports of SITC 71714.

Mauritania had the largest growing imports of SITC 71181 and the fastest growing imports of SITCs 71951 and 71965.

Somalia had the fastest growing imports of SITCs 71842 and 71851.

Sudan had the largest imports of SITC 71189 and the fastest growing imports of SITCs 71189, 71954 and 71964.

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a/ Source of raw data: Organization for Economic Co-operation and Development

Table 19 Arab exports of capital goods

(In thousand current US dollars)

SITC	Total Arab exports			Inter-Arab trade		
	1979	1970	Growth 1970-1979 (percentage)	1979	1970	Growth 1970-1979 (percentage)
69	137,637	11,912	1,155	116,699	7,464	1,563
71	363,587	37,380	973	137,981	13,859	996
72	236,516	19,821	1,193	102,013	11,009	927
73	931,912	42,776	2,178	313,004	25,193	1,242
8619	394	143	276	265	105	252
8619	14,194	1,816	782	1,480	264	561
Total	1,684,240	113,848	1,479	671,443	57,894	1,160

Table 19. Arab exports of capital goods

(In thousand current US dollars)

(Continued)

SITC	Fraction of Total Exports that are to other Arab Countries (1979) (Percentage)	Exports to non-Arab countries		
		1979	1970	Growth 1970-1979 (Percentage)
69	85	20,938	4,448	471
71	40	225,606	23,521	959
72	43	134,503	8,812	1,526
73	34	618,908	17,583	3,520
8618	67	251	38	661
8619	10	12,714	1,552	819
Total	40	1,012,920	55,954	1,810

Table 20. Inter Arab capital goods trade activity of 21 Arab countries in 1979

(In thousands of US dollars)

Country	SITC 69		SITC 71	
	Inter-Arab exports	Inter-Arab imports	Inter-Arab exports	Inter-Arab imports
Algeria	14	3,095	134	418
Bahrain	2,872	7,284	3,374	11,588
Democratic Yemen	199	285	194	1,532
Djibouti	1,550	4	1,108	-
Egypt	1,173	2,693	1,270	4,139
Iraq	262	1,543	961	1,727
Jordan	15,437	4,900	4,547	9,725
Kuwait	25,281	4,122	6,939	4,250
Lebanon	18,998	246	23,190	2,569
Libyan Arab Jamahiriya	34	2,201	418	2,566
Mauritania	2	159	18	6
Morocco	517	18	250	16
Oman	1,498	4,369	7,940	16,728
Qatar	778	5002	1,206	3,858
Saudi Arabia	19,611	61,182	49,543	30,986
Somalia	5	474	121	359
Sudan	35	151	100	1,676
Syrian Arab Republic	9,590	3,552	6,593	1,045
Tunisia	4,660	320	2,361	102
United Arab Emirates	13,833	3,848	27,059	13,682
Yemen Arab Republic	340	11,241	645	31,000
Total	116,699	116,699	137,981	137,981

Table 20. Inter Arab trade activity of 21 Arab countries in 1979

(Continued)

(In thousands of US dollars)

Country	SITC 72		SITC 73	
	Inter-Arab exports	Inter-Arab imports	Inter-Arab exports	Inter-Arab imports
Algeria	570	50	37	424
Bahrain	910	6,396	1,158	11,559
Democratic Yemen	11	1,842	5,180	41,964
Djibouti	593	-	373	71
Egypt	4,719	3,631	4,279	38,007
Iraq	633	4,524	301	3,906
Jordan	7,110	5,461	1,583	18,174
Kuwait	11,624	8,227	28,032	4,389
Lebanon	11,640	747	6,625	2,859
Libyan Arab Jamahiriya	312	1,965	641	1,072
Mauritania	42	64	48	4
Morocco	361	20	397	199
Oman	5,490	8,116	55,588	21,262
Qatar	493	1,756	2,436	6,311
Saudi Arabia	36,762	27,417	174,149	27,986
Somalia	1	609	3	5,213
Sudan	48	271	66	2,886
Syrian Arab Republic	3,382	2,418	7,480	3,298
Tunisia	2,065	47	3,155	2,102
United Arab Emirates	15,136	6,381	31,504	24,102
Yemen Arab Republic	101	22,059	4,585	97,206
Total	102,013	102,013	313,004	313,004

Table 20. Inter Arab trade activity of 21 Arab countries in 1979

(Continued)

(In thousands of US dollars)

Country	SITC 8618		SITC 8619	
	Inter-Arab exports	Inter-Arab imports	Inter-Arab exports	Inter-Arab imports
Algeria	-	-	89	1
Bahrain	-	-	14	140
Democratic Yemen	-	-	-	-
Djibouti	-	-	-	-
Egypt	1	40	45	34
Iraq	-	-	65	4
Jordan	42	52	35	21
Kuwait	1	-	225	3
Lebanon	85	-	166	-
Libyan Arab Jamahiriya	-	-	-	29
Mauritania	-	-	5	-
Morocco	-	-	10	23
Oman	-	-	45	92
Qatar	-	-	53	-
Saudi Arabia	73	135	459	634
Somalia	-	-	-	2
Sudan	-	-	-	34
Syrian Arab Republic	56	-	64	13
Tunisia	-	-	30	-
United Arab Emirates	3	-	150	142
Yemen Arab Republic	-	35	18	300
Total	265	265	1,480	1,480

Table 20 Inter Arab trade activity of 21 Arab countries in 1979

(Continued)

(In thousands of US dollars)

Country	Total Capital Goods	
	Inter-Arab exports	Inter-Arab imports
Algeria	844	3,988
Bahrain	8,330	36,971
Democratic Yemen	425	45,624
Djibouti	3,625	75
Egypt	11,488	48,546
Iraq	2,224	11,705
Jordan	28,758	38,338
Kuwait	72,105	20,993
Lebanon	60,706	6,423
Libyan Arab Jamahiriya	1,407	7,836
Mauritania	118	235
Morocco	1,537	278
Oman	70,564	50,571
Qatar	4,968	16,930
Saudi Arabia	280,599	148,343
Somalia	131	6,659
Sudan	252	5,019
Syrian Arab Republic	27,167	10,328
Tunisia	10,221	2,574
United Arab Emirates	84,655	48,157
Yemen Arab Republic	1,312	161,843
Total	671,443	671,443

Table 21. Inter Arab trade flow in the capital goods sector in 1979

(In thousands of US dollars)

Importers	Exporters			
	Total	Algeria	Bahrain	Democratic Yemen
Algeria	3,989	-	-	-
Bahrain	36,971	-	-	9
Democratic Yemen	45,624	-	-	-
Djibouti	75	-	-	-
Egypt	48,546	92	50	7
Iraq	11,705	-	-	-
Jordan	38,336	-	5	-
Kuwait	20,993	-	257	-
Lebanon	6,423	-	-	-
Libyan Arab Jamahiriya	7,836	-	-	-
Mauritania	235	-	-	-
Morocco	278	-	-	-
Oman	50,571	-	3,341	-
Qatar	16,930	-	1,744	-
Saudi Arabia	148,343	647	2,168	97
Somalia	6,659	-	-	-
Sudan	5,019	-	-	-
Syrian Arab Republic	10,328	-	-	-
Tunisia	2,574	106	-	-
United Arab Emirates	48,157	-	8	-
Yemen Arab Republic	161,843	-	753	311
Total Arab countries	671,444	846	8,330	425

Table 21. Inter Arab trade flow in the capital goods sector in 1979

(Continued)

(In thousands of US dollars)

Importers	Exporters			
	Djibouti	Egypt	Iraq	Jordan
Algeria	-	-	-	-
Bahrain	-	11	943	10
Democratic Yemen	-	-	-	-
Djibouti	-	-	-	-
Egypt	15	-	149	620
Iraq	-	1,595	-	5,549
Jordan	-	635	614	-
Kuwait	-	27	-	257
Lebanon	-	20	-	195
Libyan Arab Jamahiriya	-	17	-	491
Mauritania	-	9	-	-
Morocco	-	-	-	-
Oman	-	1,233	-	1
Qatar	-	31	51	52
Saudi Arabia	1	6,334	416	16,180
Somalia	-	-	-	-
Sudan	6	1,177	-	117
Syrian Arab Republic	-	305	-	4,928
Tunisia	-	-	47	-
United Arab Emirates	-	-	-	283
Yemen Arab Republic	3,601	88	1	67
Total Arab countries	3,625	11,488	2,224	28,758

Table 21. Inter Arab trade flow in the capital goods sector in 1979

(Continued)

(In thousands of US dollars)

Importers	Exporters			
	Kuwait	Lebanon	Libyan Arab Jamahiriya	Mauritania
Algeria	-	-	-	-
Bahrain	2,594	887	-	-
Democratic Yemen	-	-	-	-
Djibouti	-	-	-	-
Egypt	7,210	2,371	1,306	8
Iraq	-	-	-	-
Jordan	10,886	6,811	57	-
Kuwait	-	-	-	-
Lebanon	-	-	-	-
Libyan Arab Jamahiriya	-	662	-	-
Mauritania	-	-	-	-
Morocco	6	-	-	-
Oman	2,251	530	-	-
Qatar	3,398	1,263	-	-
Saudi Arabia	43,228	47,409	28	110
Somalia	-	-	-	-
Sudan	275	180	-	-
Syrian Arab Republic	-	-	-	-
Tunisia	-	2	11	-
United Arab Emirates	-	-	-	-
Yemen Arab Republic	2,252	587	3	-
Total Arab countries	72,105	60,706	1,407	118

Table 21 Inter Arab trade flow in the capital goods sector in 1979

(Continued)

(In thousands of US dollars)

Importers	Exporters			
	Morocco	Oman	Qatar	Saudi Arabia
Algeria	-	-	-	380
Bahrain	1	1,286	2,526	7,852
Democratic Yemen	-	35,897	-	9,697
Djibouti	-	-	-	62
Egypt	11	2,973	1,073	31,524
Iraq	-	255	-	4,303
Jordan	-	5	40	15,224
Kuwait	-	496	-	19,899
Lebanon	12	295	-	5,363
Libyan Arab Jamahiriya	245	-	-	86
Mauritania	202	-	-	23
Morocco	-	-	-	221
Oman	-	-	82	943
Qatar	-	119	-	2,946
Saudi Arabia	435	225	1,137	-
Somalia	-	2	-	6,657
Sudan	5	256	28	2,769
Syrian Arab Republic	-	-	-	5,094
Tunisia	619	-	-	1,787
United Arab Emirates	-	26,037	-	21,805
Yemen Arab Republic	1	2,713	7[illegible]	143,955
Total Arab countries	1,537	70,564	4,968	280,599

Table 21. Inter Arab trade flow in the capital goods sector in 1979

(Continued)

(In thousands of US dollars)

Importers	Exporters			
	Somalia	Sudan	Syrian Arab Republic	Tunisia
Algeria	-	-	-	3,607
Bahrain	-	-	44	7
Democratic Yemen	-	-	-	-
Djibouti	-	-	-	-
Egypt	-	39	913	39
Iraq	-	-	-	-
Jordan	-	-	4,001	-
Kuwait	-	-	-	-
Lebanon	-	-	-	-
Libyan Arab Jamahiriya	-	-	62	6,271
Mauritania	-	-	-	-
Morocco	-	-	-	41
Oman	-	1	-	1
Qatar	-	-	600	-
Saudi Arabia	8	165	21,378	59
Somalia	-	-	-	-
Sudan	-	-	-	-
Syrian Arab Republic	-	-	-	-
Tunisia	-	-	-	-
United Arab Emirates	-	-	-	-
Yemen Arab Republic	122	43	166	192
Total Arab countries	131	252	27,167	10,221

Table 21. Inter Arab trade flow in the capital goods sector in 1979

(Continued)

(In thousands of US dollars)

Importers	Exporters	
	United Arab Emirates	Yemen
Algeria	-	-
Bahrain	20,789	5
Democratic Yemen	-	29
Djibouti	-	13
Egypt	-	138
Iraq	-	-
Jordan	52	-
Kuwait	-	54
Lebanon	-	535
Libyan Arab Jamahiriya	-	-
Mauritania	-	-
Morocco	9	-
Oman	42,182	-
Qatar	6,721	-
Saudi Arabia	7,929	381
Somalia	-	-
Sudan	71	131
Syrian Arab Republic	-	-
Tunisia	-	-
United Arab Emirates	-	21
Yemen Arab Republic	6,899	-
Total Arab countries	84,655	1,312

Appendix B

Disaggregation of OECD Exports of Capital goods to Arab Countries

Arab imports from OECD countries constitute the vast majority of all Arab imports of capital goods. Data on this trade will be presented here for the most important SITC groups for which disaggregated data are available.

SITC 69

a) SITC 691: Finished structural parts and structures, not elsewhere specified

In 1980, Saudi Arabia was the largest importer of two commodities recorded under this group: Finished structural parts and structure of iron or steel (SITC 6911); and finished structural parts and structures of aluminium (SITC 6912). In that year, this country spent the sums of $802,884,000 and $147,951,000 respectively on the import of these commodities. Over the decade of the 1970s, these imports grew at the average annual rates of 59.9 per cent for SITC 6911 and 73.0 per cent for SITC 6912.

The second largest importer of the two capital goods after Saudi Arabia in 1980, was Libyan Arab Jamahiriya whose import bill for SITC 6911 was $419,898,000 and for SITC 6912, $64,396,000.

However, Democratic Yemen experienced the highest average annual import growth over the 1970s (122.6 per cent) in the importation of SITC 6911 on which goods the country spent the total sum of $12,063,000 in 1980. Egypt, with an import bill amounting to $78,812,000 in 1980, became the second fastest growing importer of SITC 6911 (80.0 per cent) over the decade.

With respect to finished structural parts and structures of aluminium (SITC 6912), Egypt was the fastest growing importer (99.8 per cent yearly) among the Arab countries during the decade with an import bill in 1980 amounting to $13,670,000. This country was followed in import growth by Iraq (81.0 per cent yearly) which spent in 1980 a total sum of $26,115,000 on SITC 6912 imports.

Total Arab spending on SITC 6912 imports from the OECD, amounted to $323,981,000 in 1980 and grew over the 1970 decade at the average annual rate of 53.6 per cent. But imports on SITC 6911 grew at the slower rate of 48.7 per cent and amounted to $2,191,618,000 in 1980.

b) SITC 692: Metal containers for storage and transport

Four capital goods are reported on under this group: Tanks, vats and reservoirs for storage of manufacturing use (SITC 6921), casks, drums, boxes, cans and similar commercial containers used for transport of goods (SITC 6922), compressed gas cylinders of iron or steel (SITC 6231) and compressed gas cylinders of aluminium (SITC 69232).

Saudi Arabia, with the total import bill of $36,386,000 in 1980 was the largest importer of SITC 6921 from OECD countries, followed by Iraq whose import bill amounted to $28,460,000. But whereas the imports of Iraq grew over the 1970 decade by the average annual rate of 48.6 per cent, that of Saudi Arabia grew at 40.6 per cent annually. Jordan however, was the fastest growing importer with an average annual import growth rate of 91.5 per cent.

Saudi Arabia was also the largest importer of SITC 69231 in 1980 ($29,083,000). And while Egypt was the second largest importer ($14,563,000), its imports grew at the slightly higher annual rate of 52.5 per cent than that of Saudi Arabia (50.5 per cent per year). The United Arab Emirates had, throughout the decade, the fastest growing imports of SITC 69231 with the average annual import growth rate of 95.8 per cent. Egypt was the largest importer in 1980 ($298,000) of SITC 69232 as well as the fastest growing importer during the decade (87.8 per cent). Saudi Arabia, with an import bill of $273,000 was the second largest 1980 importer as well as the second fastest growing importer (72.7 per cent).

Libyan Arab Jamahiriya had the largest importation of SITC 6922 in 1980 ($12,196,000) and observed an average annual import growth rate of 19.3 per cent over the 1970s. Iraq was the second largest importer ($7,302,000) and its imports grew over the decade at the average annual rate of 36.1 per cent. But Yemen Arab Republic although with a lesser import bill than Libyan Arab Jamahiriya and Iraq in 1980, experienced the fastest average

growth rate of import (93.6 per cent annually) over the 1970 decade. Total Arab imports of SITC 6922 grew at the rate of 23.7 per cent, slower than the other three goods in this subgroup, while SITC 69232 has the largest average annual growth rate (43.2 per cent).

c) SITC 693: Wire products (excluding electric) and fencing grills

Reported under this group are: Wire, cables, ropes, plaited bands, slings and similar articles not insulated (SITC 6931); wire of iron or steel of types used for fencing (SITC 6932); and gauze, netting, grill, fencing, etc. of wire (SITC 6933).

Of SITC 6931 and 6933, Saudi Arabia was the largest importer among all Arab countries in the year 1980 with import bills of the two goods amounting to $56,557,000 and $34,223,000 respectively. This country's import of SITC 6931 grew at the annual average rate of 51.5 per cent over the 1970s while that of SITC 6933 grew at the higher annual rate of 58.4 per cent. With these average import growth rates, Saudi Arabia became the second fastest growing importer of SITC 6931 and the fastest growing importer of SITC 6933 during the decade period. Significantly also, this country was the second largest importer of SITC 6932 in 1980 with an $1,098,000 import bill for this SITC subgroup, imports of which grew at the average rate of 28.0 per cent annually which constituted the slowest growth in the subgroup

Libyan Arab Jamahiriya was the next significant importer of the goods under review. It was the largest importer of SITC 6932 in 1980 when this commodity accounted for a $5,393,000 import bill for that country. This represented for the decade of the 70s an average annual growth rate of 54.6 per cent which placed the country as the second fastest growing importer of SITC 6932 after Qatar. Qatar's importation of these goods grew at the average rate of 84.2 per cent annually.

Libyan Arab Jamahiriya was the second largest importer of SITC 6933 ($12,365,000) in 1980 and the fourth fastest growing importer (46.7 per cent per year) after Saudi Arabia, Yemen Arab Republic (53.1 per cent per year) and Iraq (48.6 per cent per year) during the 1970s.

Overall Arab imports of SITC 6931, 6932 and 6933 grew over the 1970s at the average annual rates of 31.7 per cent, 25.5 per cent and 40.5 per cent respectively. And the largest total Arab import expenditure in this subgroup was made on wire, not insulated cables, ropes, plaited bands, slings and similar articles (SITC 6931) which accounted for $179,328,000. Total Arab import bill for SITC 6932 was $8,214,000 in 1980 and $74,340,000 for SITC 6933 in the same year.

The fastest growing importer of SITC 6931 was Democratic Yemen. This country's import of the commodity grew at the average rate of 82.8 per cent annually over the 1970 decade. Its total import bill in 1980 was $2,049,000. Democratic Yemen however was the smallest 1980 importer of SITC 6933 on which it spent in that year the sum of $28,000. Djibouti had the least imports of both SITC 6931 ($52,000) and SITC 6932 ($2,000) in 1980.

d) SITC 694: Nails, screws, nuts, rivets and similar articles of iron or of copper

In 1980, Saudi Arabia was the largest importer of two goods reported under this group: nails, tacks, staples, spikes, etc. (SITC 6941) and nuts, bolts, screws, rivets, washers, etc. (SITC 6942). In that year, the country spent $4,931,000 on the importation of SITC 6941 and about seven times that amount ($34,524,000) on SITC 6942 from OECD countries. Saudi Arabia's imports of these two goods grew over the 1970 decade at the average annual rates of 49.5 per cent for SITC 6941, and 47.9 per cent for SITC 6942.

Iraq, which was the second largest importer of SITC 6941 in 1980 spent $3,254,000 on this good in that year, and $13,475,000 on SITC 6942 of which in the same year it was the third largest importer. However, Iraq's importation of SITC 6942 grew at a faster average rate of (43.5 per cent per year) than that of SITC 6941 which experienced an annual growth rate of 41.5 per cent. Of SITC 6942, Algeria was the second largest importer in 1980 with an import bill of $18,361,000. Over the 1970 decade, this country's imports of SITC 6942 grew annually at the average rate of 24.1 per cent.

The United Arab Emirates was the fastest growing importer of both SITC 6941 and SITC 6942 over the decade. The country's imports of these capital

goods grew at the average annual rates of 77.3 per cent and 53.0 per cent, respectively. And while its 1980 import bill for SITC 6941 (which had a faster import growth rate) amounted to $1,559,000, that for SITC 6942 was recorded to be $10,171,000.

After the United Arab Emirates, the Yemen Arab Republic had the second fastest growing imports of SITC 6941 (nails, tacks, staples, spikes, etc.) and SITC 6942 (nuts, bolts, screws, rivets, washers, etc.). Its imports of SITC 6941 grew over the 1970s at the average annual rate of 72.0 per cent, while that of SITC 6942 grew at 49.4 per cent annually. But whereas the 1980 import expenditure of this country on SITC 6941 was $264,000 its import bill for SITC 6942 was recorded at $630,000 in the same year.

Total Arab imports of SITC 6941 (1980) was $21,012,000, a bill, 4.3 times more than the largest single 1980 importer (Saudi Arabia). Overall Arab imports of this commodity grew over the decade at the average annual rate of 28.8 per cent. Overall, Arab imports of SITC 6942 were the larger in this subgroup. The twenty-one countries spent in that year, a total of $119,362,000 on SITC 6942 and experienced an average import growth rate of 38.8 per cent annually.

e) SITC 695: Tools for use in the hand or in machines

Six capital goods are discussed under this group: Hand tools for agriculture or forestry (SITC 6951); hand saws and saw blades (SITC 69521); pliers, pincers, spanners etc. (SITC 69522); hand tools etc., n.e.s. (SITC 69523); interchangeable tools, hand and machines (SITC 69524); cutting blades for machines (SITC 69525), and tool tips, etc., unmounted, of sintered metal carbides (SITC 69526).

Saudi Arabia was generally the largest Arab importer of these capital goods from OECD countries in 1980. In particular, this country was the largest 1980 importer of four of these commodities: SITC 69521; 69522; 69523; 69525; the fourth largest importer of SITC 6951, and the fourth largest 1980 importer of SITC 69526. For SITC 69521, this country's 1980 import bill stood at $5,912,000 and $13,306,000 for SITC 69522. Its 1980 expenditure was the highest for SITC 69523 ($36,570,000). Imports of SITC 69525 of $5,098,000

were recorded in the same year. Of SITC 69526, Saudi Arabia was the fastest growing importer over the decade of the 1970s with the average import growth rate of 81.1 per cent annually. The country was also the second fastest growing importer of SITC 69525 over the decade with the average import growth rate of 75.7 per cent annually. The largest importer of SITC 6951 was Libyan Arab Jamahiriya ($2,549,000) and the largest importer of SITC 69526 was Algeria ($1,302,000).

Algeria had the largest imports of SITC 69524, interchangeable tools, in 1980 ($35,149,000) and Saudi Arabia, the second largest ($32,491,000). Over the 1970s, Saudi Arabia's imports grew at a faster average annual rate (34.1 per cent) than Algeria's (26.2 per cent). But the fastest growing importer was the Yemen Arab Republic (64.4 per cent per year), followed by the United Arab Emirates (54.5 per cent) which country's 1980 import bill ($20,488,000) was twenty-one times that of the Yemen Arab Republic ($963,000) for that year.

The United Arab Emirates was the fastest growing importer over the 1970 decade of both SITC 6951 and SITC 69523 with the average annual import growth rates of 66.9 per cent and 62.4 per cent respectively with respect to SITC 69521 and 69522, this country was in each case the second fastest growing importer with annual average import growth rates at 68.3 per cent and 57.3 per cent respectively. The United Arab Emirates import bill in 1980, amounted to $201,000 for SITC 6951; $6,587,000 for SITC 69523; $1,299,000 for SITC 69521 and $2,732,000 for SITC 69522.

The fastest growing importer of SITC 69521 was the Yemen Arab Republic (68.8 per cent) and of SITC 69525 Bahrain (85.8 per cent). The magnitude of the respective imports in 1980 was $110,000 and $793,000. With the average annual import growth rate of 63.6 per cent, Egypt became the second fastest growing importer of SITC 6951 over the decade and with 65.5 per cent, was the fastest growing importer of SITC 69522. Also this country was the second fastest growing importer of SITC 69526 (46.7 per cent per year). In 1980, Egypt spent $336,000 on SITC 6951 imports. In the same year, the country's import bill for SITC 69521 amounted to $2,296,000, and was recorded as $2,699,000 for SITC 69522.

The total 1980 Arab import bills from OECD countries for these goods were as follows:

$9,827,000 (SITC 6951); $23,566,000 (SITC 69521); $37,903,000 (SITC 69522); $136,835,000 (SITC 69523); $12,582,000 (SITC 69525); $2,565,000 (SITC 69526). The highest overall Arab import growth was experienced in the importation of SITC 69525 which grow at the yearly average rate of 38.0 per cent and the lowest import growth rate was that of SITC 6951 the importation of which grew at the average annual rate of 25.2 per cent.

f) SITC 698: Manufactures of metal, n.e.s.

Five capital goods are reported on under this group: chains and parts thereof of iron or steel (SITC 6983); anchors, grapnels and parts thereof of iron or steel (SITC 6984); springs and leaves for springs of iron, steel or copper (SITC 6986); flexible tubing and piping of base metal (SITC 69882) and soldering and welding rods, etc. of base metal or of metal carbides (SITC 69887).

Saudi Arabia was the largest 1980 importer from the OECD countries of SITC 6983 on which the country spent the sum of $4,482,000. This amount was 20.2 per cent of total Arab import bill from the OECD countries for SITC 6983 in the same year. The second largest importer of this capital good after Saudi Arabia was the United Arab Emirates with an import bill in that year totalling $2,268,000. The fastest growing import rate of this good over the 1970 decade (53.0 per cent average import growth rate annually), belonged to one of the smallest importers of this good (The Yemen Arab Republic, 1980 imports = $138,000). Saudi Arabia with the largest import bill has the second largest import growth rate (45.4 per cent).

Also, Saudi Arabia was the largest 1980 importer of SITC 6984 ($758,000), followed by Egypt ($199,000). An whereas Saudi Arabia's import bill for that year represented 43.0 per cent of total Arab imports ($1,746,000), Egypt's represented only 11.4 per cent. Morocco, with the fastest average import growth rate over the 1970s (53.7 per cent) recorded in 1980 an import bill ($48,000) that was a mere 2.7 per cent of overall Arab import expenses on the commodity for the year. Overall Arab imports of this good from OECD countries over the 1970s grew at the average annual rate of 25.7 per cent.

The largest and second largest 1980 importers of SITC 6986 were still Algeria and Saudi Arabia respectively. Algeria's bill amounted to $9,600,000, while Saudi Arabia's was $6,704,000. The United Arab Emirates, with one of the smallest import bills in 1980 ($799,000) was the fastest growing importer (46.3 per cent annually) over the 1970 decade.

With a 1980 import bill of $6,162,000 the United Arab Emirates became the largest importer of SITC 69882 in that year as well as the fastest growing importer over the 1970s (163.7 per cent average annual growth rate). Saudi Arabia was the second largest importer in that year ($2,547,000). But of SITC 69887, it was the largest 1980 importer ($12,535,000) while the United Arab Emirates was the second largest 1980 importer ($5,578,000). Jordan had the fastest import growth rate (65.5 per cent annually on the average). Overall the Arab import bills from the OECD countries for SITC 69887 and 69882 were $44,226,000 and $15,256,000 in 1980, respectively.

SITC 71*

a) SITC 711: Power generating machinery other than electric

The following eleven capital goods are part of this group: Steam generating boilers (SITC 7111); boiler house plants (SITC 7112); steam engines incorporating boilers (SITC 71131); steam engines not incorporating boilers (SITC 71132); internal combustion engines for air craft (SITC 71141); jet and gas turbines for air craft (SITC 71142); internal combustion engines not for air craft (SITC 7115); gas turbine other than for aircraft (SITC 7116); nuclear reactors (SITC 7117); water turbines and other water engines (SITC 71181); and wind, hot air engines not water engines (SITC 71189).

The largest all Arab import expenditure in 1980 for imports from OECD countries in this group of products was made on internal combustion engines not for air craft (SITC 7115). This amounted in 1980, to $1,068,587,000. The

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* Source of raw data: Organization for Economic Co-operation and Development.

largest single importer of this good in that year was Saudi Arabia which accounted for $248,656,000 or 23.3 per cent of overall expenditure. Although accounting for only 1.0 per cent of total Arab 1980 import bill for SITC 7115, Qatar nevertheless, was the fastest growing importer of this commodity with the average annual import growth rate of 72.1 per cent over the 1970 decade.

Saudi Arabia was the largest 1980 importer from OECD countries of SITC 7111, 7112, 71131, 71132, 71142 and 7116, Saudi Arabia was the largest 1980 importer. This country accounted for 51.3 per cent of the total Arab import bill for SITC 7112 in 1980 ($75,553,000); 36.1 per cent of total Arab import bill for SITC 7116 in 1980 ($829,439,000); 33.8 per cent of total Arab import bill for SITC 71131 in 1980 ($91,781,000); 32.4 per cent of total Arab import bill for SITC 71142 in 1980 ($227,413,000); 29.5 per cent of total Arab import bill for SITC 7111 in 1980 ($294,243,000); and 23.1 per cent of total Arab import bill for SITC 71132 in 1980 ($45,343,000). For SITC 71142, this country was both the largest 1980 importer ($73,673,000) and the fastest growing importer over the 1971-80 period with average annual import growth rate of 35.8 per cent.

Other significant importers of capital goods under the SITC 711 group include Egypt, Jordan, Mauritania and Libyan Arab Jamahiriya.

Egypt was the largest 1980 importer ($7,647,000) of SITC 71141 as well as the fastest growing importer with an average annual import growth rate of 69.6 per cent over the 1970s. Jordan which was the second largest importer ($6,787,000) and also the second fastest growing importer (54.5 per cent) of this capital good over the decade. Of SITC 71181, Mauritania was both the largest 1980 importer ($3,988,000) and the fastest growing importer (110.0 per cent annual growth rate on the average). Over the decade, Libyan Arab Jamahiriya's average annual rate of importation of SITC 7111 (77.0 per cent) and SITC 71131 (142.7 per cent) were highest of all Arab countries. Also this country was the second largest importer of these two capital goods in 1980 after Saudi Arabia. For SITC 7111, Libyan Arab Jamahiriya's 1980 import bill was $62,136,000 and for SITC 71131, it amounted to $28,862,000.

Sudan's import performance was significant since this country in 1980 accounted for the largest import bill for SITC 71189 ($8,126,000). At the same time, it was also the fastest growing importer of this commodity over the 1970s (140.0 per cent).

b) SITC 712: Agricultural machinery and implements

The six capital goods to be discussed under this group include: Agricultural machinery for cultivating the soil (SITC 7121); Agricultural machinery for harvesting and threshing (SITC 7122); cream separators (SITC 71231); other dairy machinery (SITC 71239); presses for juice making etc. (SITC 71292); and other agricultural machinery (SITC 71299).

Among the products the Arab countries made their largest import expenditure from OECD countries on SITC 7122, the bill of which was recorded to be $253,723,000. About 25.0 per cent of this was accounted for by Iraq ($62,794,000) with which bill the country became the largest single importer of SITC 7122 in 1980 while Algeria, with a 1980 import bill of $44,857,000 was the second largest importer. Oman was the fastest growing importer, its imports growing at the average rate of 147.9 per cent annually.

Iraq was also the largest importer of SITC 71299 in 1980. With an import bill of $33,311,000, this country accounted for 29.5 per cent of total Arab import bill for SITC 71299. Saudi Arabia was both the second largest 1980 importer ($22,278,000) and had the second fastest growing imports (84.9 per cent) over the 1970s. The fastest growing importer over this period was the Yemen Arab Republic whose importation of SITC 71299 grew at the average annual rate of 85.7 per cent. This total Arab import bill for this good in 1980 was $112,926,000.

Saudi Arabia accounted for 30.7 per cent of total Arab import bill from OECD countries for SITC 71239 in 1980. With an import expenditure of $9,646,000, it was the largest single importer of this good. Overall the Arab import bill was recorded to be $31,413,000. The fastest growing importer was Djibouti whose SITC 71239 imports grew annually at the average rate of 123.8 per cent.

With $20,094,000 as its import bill for SITC 71231 in 1980, Morocco accounted for 38.5 per cent of total Arab import bill ($52,157,000) for that year and became the largest 1980 importer of that capital good. Egypt was the second largest importer ($13,150,000) and at the same time, the fastest growing importer of this commodity over the 1970s. Its imports grew at the average rate of 131.1 per cent annually.

Total Arab imports of SITC 7121 and 71292 grew over the decade by the average annual rates of 34.2 per cent and 14.9 per cent respectively. The single fastest growing imports of SITC 7121 belonged to Morocco (107.6 per cent per year) and of SITC 71292, Jordan (79.6 per cent). In 1980, the Yemen Arab Republic was the largest importer of SITC 7121 ($16,553,000) and Libyan Arab Jamahiriya, the largest importer of SITC 71292 ($718,000). Overall Arab 1980 import bills for SITC 7121 and 71292 were $97,537,000 and $3,283,000 respectively.

c) SITC 715: Metal working machinery

Three capital goods will be discussed under this group: Converters, ladles, ingot moulds and castings (SITC 71521); rolling mills and rolls for metal working (SITC 71522); and gas operated welding, cutting, etc. appliances (SITC 71523).

Algeria was the largest 1980 importer from OECD countries of SITC 71521. Its import bill for this good was recorded to be $41,594,000 which represented 68.8 per cent of overall Arab import bill for the same commodity from OECD countries in the same year ($60,500,000). Iraq, which was the second largest importer accounted for 10.2 per cent of total Arab 1980 import expenditures. In absolute terms this was $6,199,000. Although it accounted for 1.6 per cent of total Arab imports of SITC 71521 from OECD countries in 1980, Saudi Arabia experienced the highest import growth rate over the decade of the seventies. This country's importation of SITC 71521 grew over this period at the average rate of 66.2 per cent annually. The United Arab Emirates, with 63.8 per cent average growth rate, became the second fastest growing importer after Saudi Arabia. Overall Arab imports of this capital goods from OECD countries grew over the decade by the average of 35.5 per cent annually.

Arab imports of SITC 71522 grew over the decade by the average annual rate of 10.1 per cent and amounted to $26,054,000 in 1980. In the same year, Algeria's import bill which was the largest of the Arab countries stood at $4,004,000 and represented 15.4 per cent of overall Arab import expenditure for 1980. But Algeria's imports over the 1970s grew at a low average rate (2.8 per cent annually). Egypt's imports of this capital good from Arab countries actually dropped over the decade at the average annual rate of 2.4 per cent. Yet, this country in 1980, accounted for 15.0 per cent of total Arab import bill for SITC 71522 from OECD countries. Morocco was the fastest growing importer of this commodity over the decade with an average import growth rate of 70.2 per cent annually, while Oman registered the second highest import growth rate (62.1 per cent).

Arab import expenditure on SITC 71523 in 1980 from OECD countries, was smaller compared than that for SITC 71521 and 71522. The import bill for SITC 71523 was $23,470,000. Democratic Yemen, the largest 1980 importer, accounted for 16.1 per cent of this amount in that year ($3,774,000) while Algeria accounting for 13.1 per cent ($3,069,000) was the second . Yemen Arab Republic was the fastest growing importer with the average annual import growth rate of 59.3 per cent over the 1970s. Total Arab imports grew over this period at the average rate of 17.5 per cent annually. The second fastest growing single importer after Yemen Arab Republic was Lebanon with 46.5 per cent average import growth rate annually.

d) SITC 717: Textile and leather machinery

Seven capital goods were reported under this group: Spinning, extruding, etc. machines (SITC 71711), weaving, knitting, etc. machines (SITC 71712), machines auxiliary to those of heading 71712 (SITC 71713), machinery for manufacturing and finishing of felt (SITC 71714), textile bleaching, dressing etc. machines (SITC 71715), machinery (excluding sewing machines) for preparing, tanning or working hides, skins or leather (SITC 7172 and sewing machines (SITC 7173).

Algeria was the single largest 1980 importer of four (SITC 71711, 71712, 71714, 71715). Its import bills from OECD countries of that year were as follows: $70,008,000 for SITC 71711 which accounted for 38.9 per cent of total Arab OECD import bill for the commodity in that year ($179,839,000); $79,011,000 for SITC 71712 which accounted for 40.8 per cent of total Arab OECD import expenditure of that year ($193,747,000); $1,262,000 for SITC 71714 which accounted for 31.0 per cent of Arab OECD import expenditure on this capital good in 1980 and $63,609,000 for SITC 71715 which accounted for 27.6 per cent of the Arab OECD import bill on this good for 1980. The largest 1980 importers for the remaining three capital goods were Egypt, Iraq and Syrian Arab Republic, respectively. Egypt spent $34,774,000 in that year on SITC 71713 (35.3 per cent of the total $98,587,000 Arab OECD import bill on the good for the year). Iraq incurred an import bill of $6,338,000 on SITC 7172 which amount accounted for 14.6 per cent of total Arab OECD import bill on the good. On SITC 7173 imports from OECD countries, Syrian Arab Republic spent the total sum of $19,542,000 or 23.2 per cent of total Arab OECD imports. Also, Syrian Arab Republic's rate of import growth rate (47.2 per cent) of this commodity over the 1970s was the fastest among the Arab countries. This average annual growth rate was followed closely by Oman's with 45.1 per cent.

Djibouti was the only country that had the fastest growing imports of more than one capital good under the SITC 717 group. These were SITC 71711 and 71713 which it imported over the 1970 decade at the average annual growth rate of 110.3 per cent and 97.1 per cent respectively. This could be attributed to the small initial stock of these goods in this country. The fastest growing importers of the remaining five capital goods were: Yemen Arab Republic (SITC 71712: 165.0 per cent); Lebanon (SITC 71714:100.0 per cent) the United Arab Emirates (SITC 71715:63.6 per cent); Saudi Arabia (SITC 7172:89.6 per cent) and Syrian Arab Republic (SITC 7173:47.2 per cent).

Total Arab imports of SITC 71715 recorded the fastest import growth rate (28.7 per cent) over the 1970s while that of SITC 71714 experienced the least import growth rate (15.1 per cent) of all the other capital goods reported under the SITC 717 group. It is interesting to note that total Arab 1980 imports was largest for SITC 71715 ($230,303,000) which also experienced the fastest import growth, while that which experienced the least import growth,

SITC 71714, also had the least 1980 import bill ($4,075,000).

e) SITC 718: Machines for special industries

Eleven capital goods are discussed under this group: Machinery for making or finishing cellulosic pulp (SITC 71811); paper cutting machines (SITC 71812); bookbinding machinery (SITC 71821); type making and setting machinery etc. (SITC 71822); other printing machinery (SITC 71829); machinery for milling grain etc. (SITC 71831); other food processing machines (SITC 71839); road rollers mechanically propelled (SITC 71841); excavating, levelling, boring etc. machinery (SITC 71842); mineral crushing, sorting etc. machinery (SITC 71851); glass working machinery (SITC 71852).

Total Arab imports of SITC 71841 amounted to $138,217,000 in 1980. Iraq, the largest single importer in that year, accounted for 45.2 per cent which in absolute terms was $62,462,000. This country's imports experienced the highest growth rate over the decade of the 1970s (97.3 per cent average annual rate of import). Saudi Arabia was the second largest importer in 1980 ($19,354,000), imports of which grew at the average annual rate of 52.2 per cent. Also for SITC 71821, Iraq was both the largest 1980 importer ($4,295,000) and the fastest growing importer over the decade (84.9 per cent per year). With its 1980 import bill, it accounted for 22.3 per cent of total Arab OECD import bill of that year ($19,284,000). Libyan Arab Jamahiriya was the second largest 1980 importer ($2,810.000) and Syrian Arab Republic, the second fastest growing importer (84.4 per cent) over the decade. Iraq's dominance in this area is further shown by the fact that the country was in 1980, the largest single importer of SITC 71842, 71851, 71852. Of SITC 71842, it was also the second fastest growing importer, its imports growing at the average annual rate of 62.3 per cent which was two percentage points lower than the rate of the fastest growing importer (Somalia) over the decade. With $419,800,000 as import bill for 1980 on SITC 71842, Iraq accounted for 21.2 per cent of total Arab OECD import bill of that year ($1,991,179,000). Its import bill for SITC 71851 was $133,227.000 in 1980 and for SITC 71852, $11,906,000.

Saudi Arabia was the second largest importer for both SITC 71842 and 71851 in 1980. For SITC 71842 it paid a total of $396,358,000 for imports from OECD countries and for SITC 71851, the sum of $128,045,000 in that year.

Its import of the two commodities grew annually at the average rate of 45.4 per cent and 53.1 per cent respectively. But the fastest growing importer of all the Arab countries in both cases was Somalia whose imports of SITC 71842 grew by 65.5 per cent on the average while that of SITC 71851 grew by 128.5 per cent over the 1970s.

Egypt made the most import expenditure on SITC 71822 ($4,409,000), SITC 71829 ($23,845,000) and SITC 71839 ($336,147,000) in 1980. In that year, the overall Arab OECD import bills were: $28,807,000 (SITC 71822; $93,724,000 (SITC 71829) and $197,929,000 for SITC 71839.

Syrian Arab Republic was the largest 1980 importer of SITC 71811 from OECD countries ($16,007,000) as well as the second fastest growing importer (100.2 per cent) over the 1970s. And also the fastest growing importer of SITC 71812 (69.8 per cent) and 71852 (69.8 per cent). Of SITC 71831, Saudi Arabia was the fastest growing importer (122.3 per cent) over the decade while Algeria was the largest single 1980 importer ($12,569,000). Total Arab imports of this capital good, grew by the average rate of 25.5 per cent annually.

f) SITC 719: Machinery and appliances (other than electrical) and machine parts, n.e.s.

Twenty-two capital goods are discussed under this group: Gas generators (SITC 71911), Air conditioning (SITC 71912), Furnace burners, mechanical stokers, etc. (SITC 71913), Industrial and laboratory furnaces and ovens, non-electric (SITC 71914), Refrigerators, not domestic, and other refrigerating equipment (SITC 71915), Other apparatus for treating materials with heat or cold (SITC 71919), Pumps for liquids (SITC 71921), Pumps for gases, etc.(SITC 71922), Centrifuges/filtering machinery (SITC 71923), Lifting and loading machinery (SITC 71931), Fork lift trucks for moving goods within plants (SITC 71932), Machine tools for working minerals (71951), Machine tools for working wood, plastic, etc. (SITC 71952), Parts/accessories of machine tools (SITC 71954), Calendering machines and similar rolling machines (SITC 71961), Machines for cleaning or filing containers (SITC 71962), Weighing machinery and weights therefore (SITC 71963), Spraying machinery

(SITC 71964), Automatic vending machines (SITC 71965), Railway and tramway track fixtures and fittings (SITC 71966), Ball, roller or needle-roller bearings (SITC 7197) and Machinery/mechanical appliances (SITC 7198).

Saudi Arabia was the largest 1980 importer of nine of these twenty-two capital goods: SITC 71912, 71919, 71921, 71922, 71923, 71931, 71951, 71964 and 7198. In that year, its import bill was $270,266,000 for SITC 71912; 147,715,000 for SITC 71919; $299,400,000 for SITC 71921; $181,384,000 for SITC 71922; $ 67,197,000 for SITC 71923; $303,906,000 for SITC 71931; $9,420,000 for SITC 71951; $55,080,000 for SITC 71964 and $132,303,000 for SITC 7198. This country was also the fastest growing importer of three capital goods: SITC 71931 (which imported over the decade at the average annual rate of 59.3 per cent); SITC 71952 (57.4 per cent) and SITC 71966 (76.9 per cent).

Of SITC 71914 and 71932, Iraq was the largest 1980 importer. It incurred import bills of $27,876,000 and $133,297,000 on the imports of these two commodities from OECD countries respectively. Also, it had the fastest growing import of SITC 71714 over the decade with import growth rate of 72.9 per cent on the average, annually. Significantly, Iraq was the second largest 1980 importer of SITC 71921 ($85,646,000), SITC 71922 ($61,300,000), SITC 71923 ($54,765,000), SITC 71931 ($162,589,000), SITC 71962 ($43,624,000), SITC 7197 ($11,768,000), SITC 71964 ($22,696,000) and SITC 7198 ($129,197,000).

Over the 1970s, Jordan was the fastest growing importer of two capital goods: SITC 71961 (171.5 per cent average annual rate of import growth) and SITC 71963 (108.0 per cent). For SITC 71951 and 71965, Mauritania's import grew by the fastest annual average rates of 128.6 per cent and 84.4 per cent respectively. Oman was the fastest growing importer of two capital goods: SITC 71921 (53.0 per cent) and SITC 71962 (96.3 per cent), and Qatar, of three: SITC 71922 (187.4 per cent), SITC 71923 (151.5 per cent) and SITC 7198 (108.7 per cent). Sudan's imports grew fastest for two goods SITC 71954 and 71964 at the average annual rates of 73.8 per cent and 65.0 per cent respectively. Similarly, Yemen Arab Republic had fastest growing imports of two capital goods: SITC 71912 (85.4 per cent) and SITC 71915 (65.7 per cent).

SITC 72*

Disaggregated information for two major subgroups for which data were available is presented below.

a) SITC 7231: Equipment for distributing electricity

Saudi Arabia was the largest single importer in 1980 of the four capital goods reported under this group: Insulated wire cable (SITC 7231), Electrical insulators (SITC 72321), Other insulating fitting for electrical equipment (SITC 72322) and Electrical conduit tubing and joints with insulating (SITC 72323). In 1980, Saudi Arabia's imports of SITC 7231 from OECD countries were reported to have been $414,589,000. Over the 1970s, the country's import of this capital good grew at the average annual rate of 54.2 per cent which was the highest import growth rate recorded. Iraq, with the import growth rate 53.5 per cent, became the second fastest growing importer over the decade and recorded an import bill of $131,079,000 in 1980. United Arab Emirates was the second largest importer ($135,003,000) and total Arab import bill in the same year (1980) was $1,130,324,000.

The second largest 1980 importer of SITC 72321 after Saudi Arabia ($20,966,000) was the Libyan Arab Jamahiriya with an import bill of $5,764,000. Democratic Yemen was the fastest growing importer over the 1970 decade, importing at the average annual rate of 66.9 per cent. In 1980, this country's import bill was $1,813,000. Also, Saudi Arabia was the second fastest growing importer with the import growth rate of 65.3 per cent annually. Overall Arab imports of this commodity grew over the decade at the average rate of 21.8 per cent. In 1980, the total Arab import bill from OECD countries amounted to $57,632,000.

Saudi Arabia's import bill in 1980 for SITC 72322 was $8,978,000. This figure was followed closely by Bahrain's import bill in that year ($8,067,000). Bahrain was also the fastest growing importer of SITC 72322

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* Source of raw data: Organization for Economic Co-operation and Development.

over the decade. Its imports grew over this period at the average rate of 86.2 per cent annually. Total Arab imports of this good grew over this time at the average rate of 37.6 per cent annually and amounted in 1980 to the sum of $26,504,000.

In that year with an import bill of $24,295,000, Saudi Arabia alone accounted for 69.6 per cent of total Arab imports of SITC 72323 from OECD countries. That of Algeria which was the second largest importer was recorded to be $3,455,000. Yemen Arab Republic was the fastest growing importer over the decade with an average import growth rate of 91.6 per cent annually on the average. The second fastest growing importer was Djibouti (87.0 per cent) whose 1980 import bill was only $279,000. Overall Arab imports in 1980 was $34,930,000 and over the decade, Arab total imports grew at the average rate of 46.1 per cent per year.

b) SITC 729: Other electrical machinery and apparatus

Eighteen capital goods are discussed under this group: Primary batteries and cells (SITC 72911), Electrical accumulators (SITC 72912), Electric lamps (SITC 7292), Thermionic valves and tubes, transistors etc. (SITC 7293), Electrical starting and ignition equipment (SITC 72941), Electrical lighting equipment (SITC 72942), Electricity supply meters (SITC 72951), Other electrical measuring/control instruments (SITC 72952), Electro-mechanical handtools (SITC 7296), Electro-magnets and electro-magnetic appliances (SITC 72991), Electric furnaces, welding and cutting apparatus (SITC 72992), Electric traffic control equipment (SITC 72993), Electric sound and visual signalling apparatus (SITC 72994), Electrical condensers (SITC 72995), Electric carbons (SITC 72996), Electron/proton accelerators (SITC 7297), Electrical parts of machinery/appliances (SITC 72998), and Other electrical goods/apparatus, n.e.s. (SITC 72999).

In 1980, Saudi Arabia was the largest Arab importer from OECD countries of eight of these capital goods: SITC 72912, ($36,261,000) imports of which grew over the 1970s at the average growth rate of 42.6 per cent annually; SITC 72951, ($13,025,000 average growth rate of 32.3 per cent); SITC 72952, ($147,016,000 and 59.4 per cent average import growth rate over the decade);

SITC 7296, ($24,832,000 and 68.6 per cent). With this import growth rate, Saudi Arabia was also the second fastest growing importer over the period after Syrian Arab Republic (71.2 per cent) for this capital good. Other capital goods of which Saudi Arabia was the largest importer from OECD countries in 1980 include SITC 72994 ($16,758,000) with an import growth rate of 40.8 per cent over the decade; SITC 7297 ($1,676,000) with import growth rate of 102.5 per cent from 1973-1980; SITC 72998 ($7,827,000) with import growth rate of 52.7 per cent over the 1970s and SITC 72999 ($49,244,000) the import of which grew over the decade at the average annual rate of 63.7 per cent. Algeria was the largest 1980 importer of SITC 72911 ($13,909,000) and SITC 72941 ($36,594,000). Iraq was also the largest 1980 importer of two capital goods: SITC 72995 ($5,162,000) and SITC 72996 ($10,325,000).

As regards growth in imports of these capital goods from OECD countries, Oman achieved the fastest average annual import growth rate in its imports of three: SITC 72952 (62.8 per cent); SITC 72994 (73.9 per cent) and SITC 72999 (76,4 per cent); Qatar recorded the fastest import growth rates for SITC 7292 (116.4 per cent). SITC 72941 (79.9 per cent) and SITC 72998 (92.9 per cent). Yemen Arab Republic twice took the lead as the fastest growing importer of two capital goods: SITC 72912 (62.8 per cent) and SITC 72992 (74.1 per cent).

Overall Arab imports experienced the fastest import growth rate in SITC 72994 imports of which grew at the average annual rate of 40.8 per cent over the 1970s. The smallest import growth rate belonged to SITC 72996 at 18.4 per cent annually. The total Arab OECD import bill was the largest in 1980 for SITC 72952. It was $471,202,000 and Saudi Arabia, the largest single 1980 importer, accounted for 31.2 per cent of this. In this group SITC 7297, the Arab 1980 import bill for SITC 7297 was the least and amounted to $5,255,000 of which the largest 1980 single importer (Saudi Arabia) accounted for 31.9 per cent.

SITC 73*

Data for three subgroups are presented below:

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* Source of raw data: Organization for Economic Co-operation and Development.

a) SITC 731: Railway vehicles

Nine capital goods are discussed under this group: Railway locomotives - steam and tenders (SITC 7311), Electric railway locomotives, not self generated (SITC 7312), Railway locomotives not steam or electric (SITC 7313), Mechanically propelled railway and tramway cars (SITC 7314), Rail and tram passenger cars not mechanically propelled (SITC 7315), Railway and tramway service vehicles (SITC 73161), Railway and tramway goods wagon and freight cars (SITC 73162), Road-rail and similar containers (SITC 73163) and Parts of railway locomotives and rolling stock (SITC 7317).

Out of these nine capital goods, Egypt was the largest 1980 importer from the OECD countries of four. These include SITC 7317 on which the country spent the sum of $22,334,000 in that year and imported over the 1970 decade at the average import growth rate of 33.3 per cent annually; SITC 7314 the 1980 import bill of which was $37,188,000 and which accounted for 64.1 per cent of total Arab imports of the good in that year from the OECD ($58,058,000). Egypt's average annual rate of import growth of this commodity over the 1970s (36.8 per cent) was more or less the same as the overall Arab average rate of import (36.3 per cent) over the same period. Of SITC 7311, Egypt was not only the largest single 1980 importer but also the fastest growing importer (51.4 per cent) over the decade. Significantly, this country's 1980 import bill ($60,686,000) accounted for 89.7 per cent of total Arab OECD import expenditure on the capital good in 1980. The fourth good was SITC 7315. Egypt's 1980 import bill for this ($32,554,000) accounted for 63.9 per cent of total Arab OECD import bill for the capital good in 1980.

Another significant importer was Algeria. It was the largest 1980 importer of SITC 7312 and 73162 spending $5,860,000 and $5,559,000 respectively on the two commodities for the year. For SITC 7313 and 7317, this country was also the second largest importer. Its OECD import bills for these capital goods amounted to $4,765,000 and $11,910,000, respectively. Algeria was also the fastest growing importer of two capital goods: SITC 7312 (114.9 per cent) and SITC 7315 (149.3 per cent) over the decade. Morocco was the fastest growing importer of SITC 7313 (56.7 per cent) and SITC 73162 (64.4 per cent) over this period.

Overall Arab importation of SITC 73161 from OECD countries recorded the fastest import growth rate (56.3 per cent) over the decade while that of SITC 7313 experienced the least import growth rate (11.4 per cent) of all the other capital goods under the SITC 731 grouping. The total Arab 1980 import bill from the OECD was largest for SITC 7317 ($72,384,000) and smallest for SITC 73163 ($18,589,000). These two capital goods (SITC 7317 and 73163) experienced about the same average annual growth rate of import, over the 1970s: 19.0 per cent and 19.6 per cent respectively.

b) SITC 732: Road motor vehicles

Ten capital goods are reported on under this grouping: Passenger motor cars, other than buses (SITC 7321), Buses including trolley buses (SITC 7322), Special purpose lorries, trucks and vans (SITC 7324), Road tractors for tractor-trailer combinations (SITC 7325), Chasis with engines intended for vehicles of 7321 (SITC 7326), Other chasis with engines mounted (SITC 7327), Bodies for motor vehicles not motorcycles (SITC 73281), Other parts for motor vehicles (SITC 73289), Motorcycles, auto-cycles, etc., and side cars (SITC 73291) and Parts solely for use of heading (SITC 73292).

Saudi Arabia was the largest 1980 importer of four of these capital goods (SITC 7321, 7324, 73281, 73291); Iraq, the largest 1980 importer of two (SITC 7322 and 7325); Syrian Arab Republic, the largest importer of one (SITC 7326); Lebanon, the largest 1980 importer of one (SITC 7327); Algeria, the largest 1980 importer of one (SITC 73289) and Libyan Arab Jamahiriya, the largest 1980 importer of one (SITC 73292).

Imports by Saudi Arabia of SITC 7321, 7324, 73281, 73291, grew over the 1970s by the average annual rates of 63.5 per cent, 52.1 per cent, 22.8 per cent and 31.0 per cent respectively. And the 1980 import bills of these capital goods amounted respectively to $1,066,777,000, $186,748,000, $3,568,000 and $15,130,000. The two capital goods of which Iraq was the largest single importer in 1980 (SITC 7322, 7325) were imported by that country at the average annual rate of 39.6 per cent and 119.1 per cent respectively over the 1970s. SITC 7322 accounted for an import bill of $93,693,000 while that of SITC 7325 was $143,018,000. Iraq was, at the same time, the fastest growing importer of this capital goods (SITC 7325), as well

as of SITC 7326 (124.7 per cent) and SITC 73289 (45.6 per cent). Libyan Arab Jamahiriya's importation of SITC 7327 and 73292 experienced the fastest growth rate over the decade. The average growth rates per year were 177.1 per cent for SITC 7327 and 91.8 per cent for SITC 73292. As mentioned, Libyan Arab Jamahiriya was also the largest 1980 importer of SITC 73292 with an import bill of $13,365,000, from OECD countries.

Syrian Arab Republic was the fastest growing importer of SITC 73291 (66.6 per cent) and its second largest 1980 importer ($12,963,000); the largest single 1980 importer of SITC 7326 ($24,150,000) the second largest 1980 importer of SITC 7327 ($29,952,000) and the second fastest growing importer of SITC 7327 (169.5 per cent).

Arab importation of SITC 7326 from OECD countries recorded the fastest average annual growth rate (54.4 per cent) over the decade while those of SITC 7322 and 73281 experienced the least import growth rate (13.6 per cent each). The total Arab 1980 import bill was largest for SITC 7321 ($2,823,814,000) and lowest for SITC 73281 ($21,139,000). As noted above, imports of the latter also showed the least average annual rate of growth over the 1970s.

c) SITC 733: Road vehicles other than motor vehicles

Six capital goods are reported on under this grouping: Cycles, not motorized (SITC 73311), Parts of vehicle of heading (SITC 73312), Camping caravans (SITC 73331), Other trailers (SITC 73332), Invalid carriages (SITC 7334) and miscellaneous road traders (SITC 73333).

Except for Lebanon, which was the largest single importer from the OECD countries of two of these capital goods (SITC 73331, 73333) in 1980, no other single country was the largest 1980 importer of more than one capital good. Similarly, except for Kuwait, which was the fastest growing importer in two cases (SITC 73331, 73333) over the decade of the 1970s, no other one country was the fastest growing importer of more than one capital in this grouping. Qatar was however, the second largest importer of SITC 73332 and 73333 in 1980.

Lebanon was the largest 1980 importer of SITC 73331 and 73332. It incured imports bills of $468,000 and $1,179,000 respectively in 1980. Over the 1970s decade, these imports grew at the average annual rate of 31.3 per cent for SITC 73332 and 75.3 per cent for SITC 73331. This average annual growth rate of the latter, placed Lebanon as the second fastest growing importer of SITC 73331 over the decade after Kuwait which imported at the average annual rate of 86.8 per cent and incurred a 1980 import bill of $227,000. Kuwait was also the largest importer of SITC 73333 ($7,372,000) in 1980.

Morocco was the largest 1980 importer of SITC 73311 ($2,356,000) and also the fastest growing importer of the same over the 1970 decade with an average annual import growth rate of 85.6 per cent. It was followed by Algeria as both the second largest 1980 importer of SITC 73311 ($2,011,000) and the second fastest growing importer of this capital good (72.3 per cent average growth of imports annually). Algeria was also the second largest importer of SITC 7334 in 1980, spending $310,000 in that year on imports of this good. Of this capital good, Saudi Arabia was the largest 1980 importer ($628,000) as well as the second fastest growing importer over the decade (51.4 per cent); the fastest growing importer being Iraq with the average annual import growth rate of 64.9 per cent. But Iraq's 1980 import bill from OECD countries for SITC 7334 was only $90,000.

Syrian Arab Republic made the most expenditure on the imports of SITC 73312 in 1980 ($2,921,000) while Yemen Arab Republic was the fastest growing importer with an 72.5 per cent average annual growth rate of imports, over the 1970s decade.

Overall, Arab importation of SITC 73331 recorded the fastest import growth rate (29.5 per cent) over the decade while that of SITC 73332 recorded the slowest import growth rate (1.8 per cent) of the capital goods in the SITC 733 group. The total Arab import bill for 1980 was largest for SITC 73333 ($22,207,000) and smallest for SITC 7334 ($1,926,000).

Arab Imports of Scientific, Medical, Optical, Measuring and Controlling Instruments and Apparatus (SITC 861) from OECD countries

This overall group relates to the last two groups (SITC 8618 and 8619).

Six capital goods are reported on under this group: Gas or liquid supply meters (SITC 86181), Revolution and other counting devices (SITC 86182), Measuring, controlling, scientific instruments (SITC 8619), Appliances to test physical properties (SITC 86195), Hydrometer, thermometer (SITC 86196) and measuring instruments for liquids and gases (SITC 86197).

Saudi Arabia was the largest 1980 importer of four of these capital goods. Algeria and Iraq were the largest importers of each of the remaining two capital goods in 1980. The United Arab Emirates was the fastest growing importer of three of these capital goods over the decade of the 1970s. Over the same period, the Yemen Arab Republic was the fastest growing importer of two while Iraq was the fastest growing importer of one.

The capital goods of which Saudi Arabia was the largest 1980 importer, include: SITC 86181 on which that country spent $13,156,000 in 1980 on imports from oecd countries; SITC 8619 on which it spent $98,831,000; SITC 86196 on which it spent $1,689,000 and SITC 86197 where imports from OECD reached the total sum of $20,069,000. Algeria was the largest 1980 importer ($1,898,000) of SITC 86182, and Iraq similarly had the most imports from OECD countries of SITC 86195 ($5,148,000) in that year.

The imports by the United Arab Emirates of SITC 8619, 86195 and 86196 over the 1970s experienced the fastest rates of growth, growing annually by 67.7 per cent, 95.1 per cent and 55.2 per cent respectively on the average. Also, this country was both the second largest 1980 importer of SITC 86197 ($9,893,000) as well as the good's second fastest growing importer (64.7 per cent) from OECD countries after the Yemen Arab Republic (71.7 per cent). The Yemen Arab Republic had the fastest import growth rate in its importation of SITC 86181 (79.7 per cent) and for SITC 8619, it had the second fastest growing imports from OECD countries (56.8 per cent average annual growth rate over the 1970s) after the United Arab Emirates.

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Arab Trade in Capital Goods

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